2009-2010 Annual Report

SASKATCHEWAN INDIAN
GAMING AUTHORITY

Counting Coup

The concept for the sculpture is based on the Painted Hand Casino's name. In historical times, Native warriors would often mark an imprint of their hand on their horses to signify success in counting coup on the enemy. Counting coup became a tradition for most plains tribes where a warrior would attempt to touch another warrior with a bare hand or by using a coup stick. Counting coup was an alternative resolution to deal with a warring tribe rather than taking the life from a living being. Counting coup on the enemy was the highest honour a warrior could achieve, and being couped by the enemy would be devastating and humiliating to a warrior. This sculpture represents a traditional First Nations game of chance, strategy and horsemanship that fits well with the casino design and environment.

– Lionel Peyachew, 'Counting Coup' artist

Corporate Overview

SIGA casinos entertain over four million guests annually. With over 2,200 employees including over 1,390 First Nations employees, SIGA is a top 15 employer in Saskatchewan. The entertainment company is currently ranked in Saskatchewan's top 30 companies with annual revenues of approximately $200M and net profits over $60M.

The family of casinos are conveniently located across Saskatchewan: Bear Claw Casino (Moose Mountain Provincial Park), Dakota Dunes Casino (Saskatoon), Gold Eagle Casino (North Battleford), Living Sky Casino (Swift Current), Northern Lights Casino (Prince Albert) and Painted Hand Casino (Yorkton).

In addition to providing traditional First Nations hospitality and service, SIGA casinos offer entertainment and excitement including 1870 slot machines, 54 live table games, and a full line of food and beverage services as well as live on-stage entertainment.

Under the First Nations Gaming Act in 1995, the Federation of Saskatchewan Indian Nations Inc. created the Saskatchewan Indian Gaming Authority. Since 1996, SIGA has been incorporated under The Non-Profit Corporation Act of Saskatchewan with all profits returned to its beneficiaries.

Gaming operations have become an important revenue source for Saskatchewan's First Nations, the Provincial Treasury, and Community Development Corporations (CDC) situated in six casino locations across Saskatchewan. The CDCs distribute this money to charitable and not-for-profit community organizations.

As a responsible corporate citizen, SIGA has made a commitment to our customers, employees, stakeholders and suppliers to advocate the responsible use of its gaming products and to minimize the potential for harm.

SIGA's mandate is to generate revenue, create economic development, and create employment opportunities for First Nations people in Saskatchewan.

Guiding Principles & Business Values

SIGA has – as a First Nations organization employing First Nations people – adopted five principles to encourage balance, while incorporating the traditional aspects of First Nations culture. While our five guiding principles are presented here in Cree, there are parallel expressions in the Saulteaux, Dene and Lakota, Dakota and Nakota languages.

TÂPWÊWIN

The principle of Tâpwêwin advocates speaking with precision and accuracy. From a business perspective, this means SIGA must be accountable for its actions and conduct business with integrity, honour and discipline.

PIMÂCIHOWIN

Pimâcihowin stresses the importance of "making a living" and is today's realization of our First Nations' treaty relationship. The financial and operational success of SIGA provides the means to exercise a holistic approach to improving the quality of life for our people.

MIYO-WÎCÊHTOWIN

The value of getting along with others is embodied in the word Miyo-wîcêhtowin. By conducting our business in a manner that reflects our First Nations hospitality, traditions and customs, we are able to foster good relations with our customers. Guest satisfaction is crucial to our success and our First Nations heritage is a source of competitive advantage.

MISKÂSOWIN

Miskâsowin signifies the value of finding one's sense of origin and belonging. A fundamental goal of SIGA is to bring about this sense in a positive way. This value speaks to instilling a sense of pride in ourselves and our province's First Nations' heritage.

WÎTASKÊWIN

Living together on the land is the fundamental value conveyed by the word Wîtaskêwin. SIGA's vision "Sharing Success" talks to the concept of sharing our land or, in today's terms, sharing resources. This value directs us to give back to the communities where we live and work.

Vision & Mission

OUR VISION: "Sharing Success"

By sharing success, all people will benefit and bring about many positive relationships to meet our mission as an organization.

OUR MISSION

SIGA will strengthen the lives of First Nations people through employment, economic growth, positive community relations and financial self reliance. This will be done through the operation of distinctive First Nations gaming destination resorts that reflect the traditional aspects of our First Nations culture and hospitality.

Message from the **FSIN**

The Saskatchewan Indian Gaming Authority (SIGA) has achieved new pinnacles in gaming and entertainment. The Chiefs of Saskatchewan established SIGA in 1995 as a non-profit organization with a vision and mission to share success and strengthen the lives of Saskatchewan and First Nations people through employment, economic growth, and community relations.

As SIGA continues to honour and respect its values by conducting business with integrity, developing good relations and giving back to the communities, its long-term sustainability and strong focus on the future will provide many more benefits to all First Nations as well to citizens in Saskatchewan.

One of SIGA's guiding principles, "Wîtaskêwin," highlights sharing the land or sharing resources. Giving back to the communities, whether it is in education, health, elders/youth programs, employment, tourism, First Nations culture or sports and recreation, enriches the lives of many.

In particular, the positive economic impact generated by SIGA for First Nations communities continues to impress the First Nation Chiefs in this province. SIGA has become an important and significant employer in Saskatchewan. More than 1,390 First Nations people work for the organization.

It is with great pride I submit the Saskatchewan Indian Gaming Authority Inc. report ending March 31st, 2010.

CHIEF GUY LONECHILD

Message from the **Chairperson**

On behalf of the Board of Directors, it's an honour to submit the 2009/10 Annual Report for the Saskatchewan Indian Gaming Authority.

2009 was a challenging year for everyone. Even with the relatively healthy economy in Saskatchewan, the economic downturn that began in late 2008 had an impact on SIGA's operations. However, for the first time, SIGA hosted over 4 million guests. And despite the difficulties we all faced, SIGA once again returned revenues of over $60M for our shareholders.

As stewards of the organization, the Board has set out a course for the future by implementing a new strategic direction. This plan, which lengthened SIGA's planning horizon to five years, will continue to focus on the mandates of providing employment opportunities and revenues for First Nations people. This will be accomplished by focusing on achieving outcomes required by our shareholders, customers, and employees.

Our most important resource is our people; employees form the foundation of the plan, for without our people, SIGA would not be the successful First Nations gaming organization it is today. Our Board is proud of how SIGA's management and employees responded to this year's challenges. I want to commend the Directors, the management team and staff for their ongoing guidance, enthusiasm, and understanding of what it takes to shape future growth and change at SIGA. Collectively, the efforts of these groups will ensure the continued success of our common vision as we look into the future.

RAY AHENAKEW

Message from the **President & CEO**

At SIGA, we take great pride in being a leading First Nations gaming and entertainment organization. With a team of 2200 dedicated employees that contains one of the largest First Nations workforces in Canada, we constantly strive to create a second to none entertainment experience for the people of Saskatchewan.

Our guiding principle, Tâpwêwin, advocates speaking with precision and accuracy to all our stakeholders. By all accounts, this past fiscal year presented challenging market conditions as we all felt the effects of the global economic crisis. While we did adapt to the new environment, we also made it a priority to maintain the value and service we provide our customers and we preserved our commitment to our employees. A clear indication of this commitment came in the form of visitation levels which eclipsed four million for the first time in the history of our company. Softer market conditions did result in our net earnings coming in slightly below the record levels of the previous year. However, I am proud to say we recorded our third straight year of net earnings above $60 million dollars.

Throughout this period, we also maintained the course on key strategic investments that will further improve the customer experience in the years to come. We commenced the rollout of our food and beverage enhancement program to ensure consistently high dining standards for our patrons. We initiated projects that will improve the air quality and layout of our gaming floors. And for the first time in SIGA's history, we launched our first accommodation project that will see the re-opening of a fully revitalized Bear Claw Hotel in the summer of 2010.

Regardless of the market conditions we face, the long term focus of our strategic plan remains the same: providing the best possible service and entertainment experience to our customers, providing a great work environment for our employees and continuously seeking ways to invest in and improve our company.

At SIGA, we also place a high priority on being a good corporate citizen that contributes to the communities in which we live and work. By creating jobs, supporting community initiatives, and buying goods and services locally, we help our neighbours and contribute to the community as a whole. As a proudly

owned and operated First Nations company, SIGA will continue to honour and respect our values by conducting our business with integrity, developing good relations and giving back to the communities where we live and work. This year, SIGA once again invested $1.3M to support hundreds of community groups across Saskatchewan through our sponsorship program. This investment is on top of the 100% of gaming profits which are returned to our beneficiaries, the First Nations communities of Saskatchewan and the communities in which we operate. SIGA is also investing in our future, by providing scholarships to First Nations students in our third annual First Nations Scholarship Awards Program. We are also developing an Employer Supported Volunteer program, to support and recognize our many employees who are active members in their community.

While providing an excellent entertainment experience for our customers is our business, it is important to do so in a responsible manner. Keeping gaming fun for everyone benefits our customers, our communities, and our shareholders to remain sustainable for the long term. SIGA is committed to Responsible Gaming, and we will continue to make investments to the First Nations Rehabilitation Foundation, work collaboratively with advocacy groups, provide information for our customers, and research best business practices to keep casino gaming in Saskatchewan an enjoyable activity for adults.

Since our humble beginnings 14 years ago, we have grown SIGA into one of Saskatchewan's most prominent companies, generating millions of dollars annually for our beneficiaries. The impact SIGA has had on the First Nation communities that own us and Saskatchewan has been tremendous. We are proud of our history, our traditions, our impact, and our vision for the future. I would like to thank our 4 million patrons and partners for their support and commitment to mutual success. We are successful when you are. I would also like to thank the Board, management and staff and many business partners for your dedication to our ongoing success. Together our efforts serve a mandate to strengthen the lives of First Nations people through employment, economic growth, positive community relations and financial self reliance.

Sincerely,

ZANE HANSEN

2009-2010 Highlights

Operational Highlights

The Saskatchewan Indian Gaming Authority (SIGA) operates six First Nations owned casinos in Saskatchewan. The casinos feature over 1,870 slot machines; 54 live table games; a full line of food and beverage services and a live entertainment stage in each facility. In addition, the casinos provide their own unique brand of First Nations hospitality and service.

SIGA's intent with each casino is to design a modern facility that reflects the region, the people and First Nations tradition. SIGA continues to build and design casinos with features that are rooted in First Nations culture, tradition, and natural elements reflecting the area.

Capital Reinvestment

The Saskatchewan Indian Gaming Authority has undergone a period of tremendous growth and expansion. The company concluded a $125M capital reinvestment program last year, the largest investment in SIGA's history. This expansion included the construction of two new modern casinos in 2008-2009 in Swift Current and Yorkton and the $60M Dakota Dunes Casino project completed in 2007. It has resulted in new career opportunities and an increase in revenues.

This year, SIGA continued reinvestment in all its casinos to ensure our guests experience memorable facilities. In 2009, we began construction on the Bear Claw Hotel. The hotel is an exciting project that represents a new era for SIGA; it will be SIGA's first hotel and will allow SIGA to provide an outstanding destination resort for our customers. SIGA also invests to provide the newest product, memorable facilities, quality food, and outstanding hospitality and service to ensure our customers receive outstanding entertainment value.

Building Capacity

As a result of SIGA's reinvestment program, 1100 new jobs have been created through expansion since 2007. The number of employees has doubled in three years to 2,205 (March 31, 2010). Overall, SIGA employs 1,393 First Nations people (March 31, 2009), or 63% of the total staffing complement, making the company one of the largest employers of First Nations people in the country.

At SIGA, our people are our most valuable resource, and SIGA remains committed to developing our employees by investing in our people through a variety of learning opportunities. SIGA conducted a host of learning events in 2009-2010, increasing the number of events to 6,778, due in part to a new mobile computer training program that allows SIGA to complete training programs in a more timely, cost-effective manner.

Entertaining Saskatchewan

SIGA casinos continue to provide an outstanding experience for our guests, entertaining over 4 million guests in the last year. Exciting prize giveaways, live entertainment and exceptional First Nations hospitality have become a hallmark of SIGA casinos. SIGA's comprehensive marketing strategy includes a variety of promotions and activities to ensure our guests receive excellent entertainment value.

Promotions

The 2009/2010 year was full of excitement. Two annual events, the third annual SIGA Poker Championship and the SIGA-wide Slot Tournament, were a great success. For both events, each casino held qualifier tournaments and brought their winners to the final event hosted at the Dakota Dunes Casino. Some of this year's other lucky players won an Arctic Cat Quad at the Bear Claw casino, a Camry Hybrid at the Dakota Dunes casino, seven appliances at the Gold Eagle Casino, cash and the coveted "Living Sky Idol" trophy, a Polaris Sportsman ATV at the Northern Lights casino, and autographed hockey jerseys at the Painted Hand Casino.

Guest Services

Motor coach tours continue to be a valuable service, bringing over 13,000 guests to SIGA casinos. Valet Parking service, now available at four of our six casinos, was used by nearly 20,000 guests. An estimated 147,000 guests used the shuttle service to visit our casinos. SIGA will be taking the opportunity to expand these services into our other markets in the future.

Players Club

The SIGA Players Club is a loyalty rewards program. In our 7th year, the Players Club has grown to over 220,000 members. To celebrate our lucky 7th Anniversary, seven lucky members each won a trip to one of the "Seven Wonders of the World." Monthly Players Club birthday parties continue to be a huge success, with interactive games, entertainment, and cake for members and their friends. SIGA casinos created "Just by using my card," to highlight all the benefits of the Club, which in addition saw 15,000 winners sharing almost half a million dollars in cash prizes.

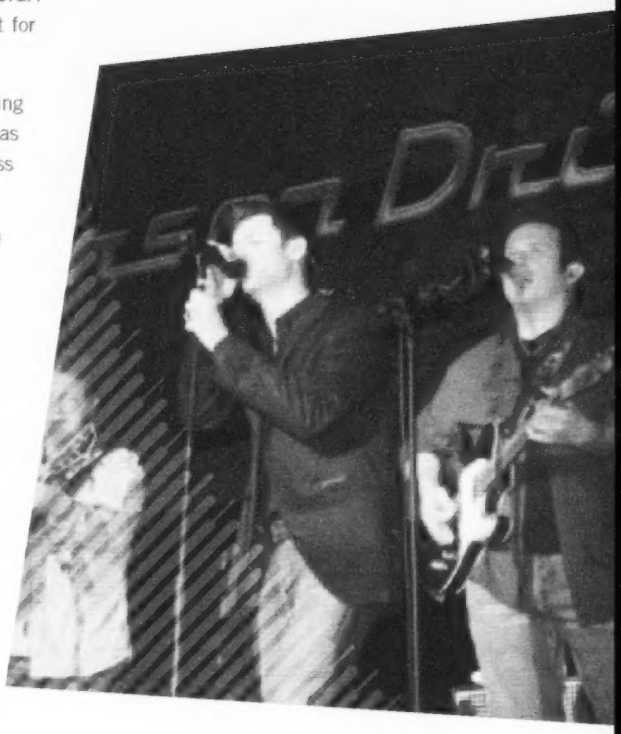
Entertainment

Thousands of guests took advantage of a wide variety of acts, competitions, and shows that SIGA casinos offered. With a total of nine performance stages, including free lounge entertainment at Living Sky, Dakota Dunes, and Painted Hand Casinos, SIGA casinos provide top notch venues for performing and exciting live entertainment for our guests.

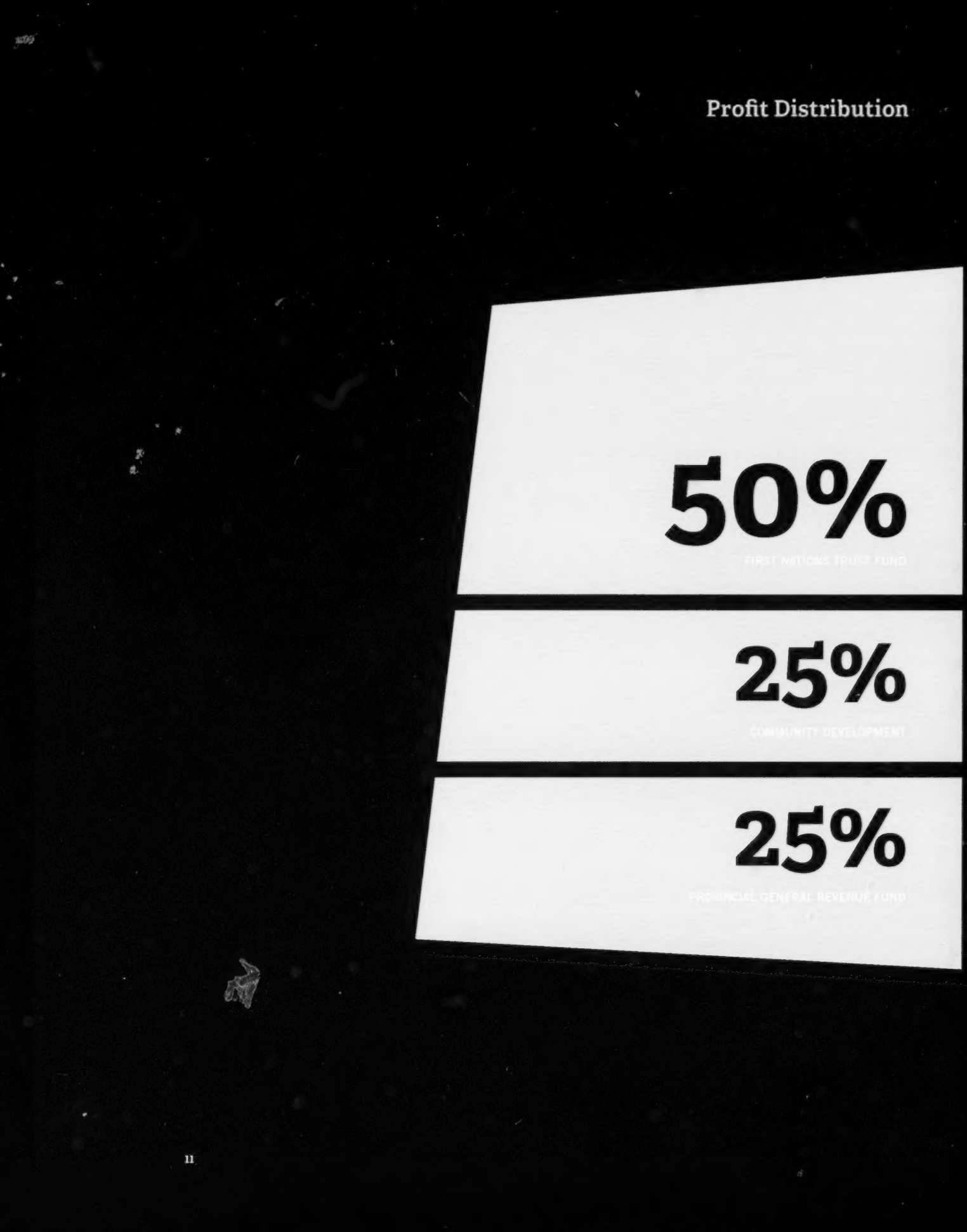
Five of our six casinos are selling tickets using SIGA Box Office, an online ticketing system available on the SIGA website and on-site at the casinos. This system has resulted in more exposure for live entertainment events and more convenient access to tickets for SIGA's guests.

SIGA casinos held over 300 events in 2009/2010, with approximately a third of those being multi night shows. SIGA casinos hosted 39 top name performers, by coordinating shows at more than one casino, including Nitty Gritty Dirt Band, Emerson Drive, Nazareth, Marty Stuart & The Fabulous Superlatives, B.J. Thomas, Trooper, Crystal Gayle, Terri Clark and Mel Tillis.

By far, our customer's favourite genre is country, followed by classic rock. Tribute bands and other musical genres are included to appeal to a broader audience base. The Bear Claw Casino held five outdoor concerts over the summer featuring rock bands such as Trooper and Nazareth. Guests at the Dakota Dunes Casino enjoyed events ranging from major concerts and dinner shows to regular lounge entertainment and outdoor concerts. Aside from live musical presentations, the Gold Eagle Casino was successful in cultivating an audience for regular comedy nights. Sky Centre shows were highly anticipated events in the Swift Current community, with line ups on the mornings that tickets went on sale. Northern Lights Casino featured numerous bookings over the year, including ten dinner shows in the Starlight Lounge and a highly successful all-day outdoor concert featuring a variety of tribute acts. The "Painted Hand Idol" competition rose to a new level, in a new venue, as family and friends enjoyed the show in the spacious Parkland Room.



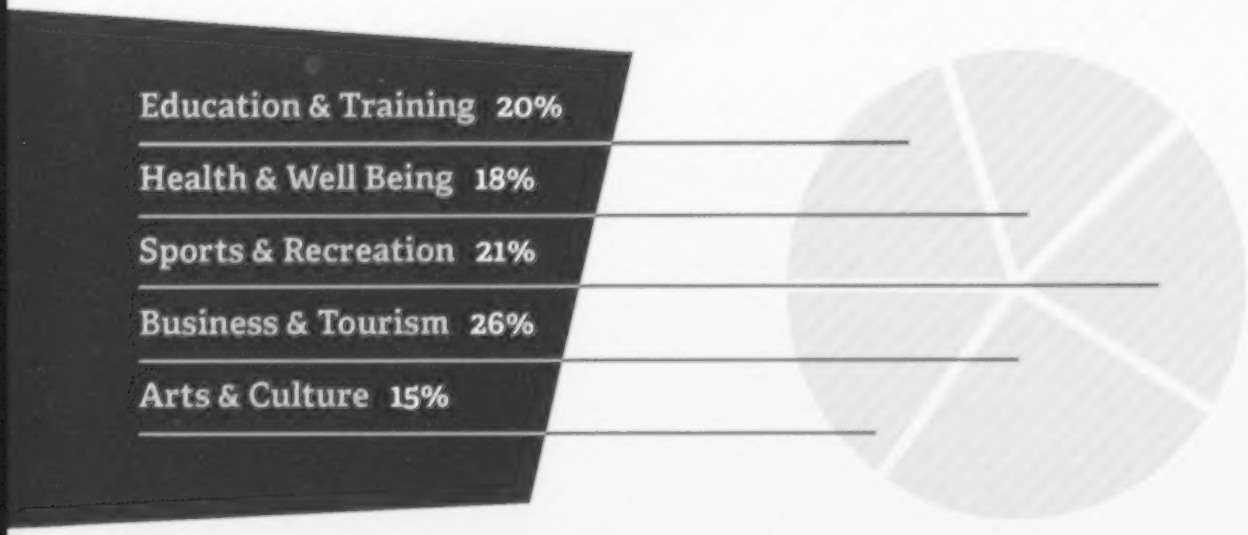
Profit Distribution



Annual Profits

Profit	Year
18.6 M	00/01
24.8 M	01/02
29.1 M	02/03
33.1 M	03/04
33.9 M	04/05

Year	Profit
05/06	40.1 M
06/07	48.8 M
07/08	61.1 M
08/09	67.2 M
09/10	60.2 M



Social Responsibility

Sponsorship

The guiding principle, Wîtaskêwin, speaks to sharing the land or sharing resources. This value guides us to give back to the communities where we live and operate. SIGA's community relations sponsorship program provides a $1.3M annual investment into charitable and non-profit based organizations in Saskatchewan.

SIGA continues to make a positive impact through its investment in its targeted sectors. These sectors include: Education/Training, Health and Well-being, Sports and Recreation, Business/Tourism and Arts and Culture. With a focus on youth, SIGA continues to make a difference in the quality of life for the socially, physically and economically disadvantaged as well as those with special needs.

In 2009/10, SIGA contributed to hundreds of community organizations including: Children's Health and Hospital Foundation – Pediatric Ambulance, YWCA, Camp Circle of Friends, Saskatchewan First Nations Summer Games, Wicihitowin Foundation, Battleford's Union Hospital Foundation, Ronald McDonald House, Puttin' for Prostate – St Paul's Hospital Foundation, FSIN Pow-Wow, Children's Haven, Canadian Cancer Society, Kids Help Phone and many others.

World Class Sporting Events

The Saskatchewan Indian Gaming Authority was a proud sponsor of the 2010 IIHF World Junior Hockey Championships in Saskatoon and the 2010 Women's World Curling Championships in Swift Current.

Diabetes Awareness Day

One of the Health and Well-being initiatives supported by SIGA and supported company-wide was Diabetes Awareness Day. Diabetes education and awareness displays were set up at each SIGA location including casino sites. Employees also wore blue "Diabetes Champions" bracelets to recognize the day.

Rider Game Day

On August 16, 2009, SIGA sponsored the Saskatchewan Roughriders for the 13th annual Rider Game Day. We invited over 300 children and youth as well as First Nations Veterans to a barbeque in the endzone and to watch the game. Many of these youth never have an opportunity to go to the games and had a lot of fun showing their Rider pride.

SIGA Enchanted Forest

Earlier this year, SIGA concluded its 11 year commitment to the SIGA Enchanted Forest. As Saskatchewan's largest outdoor holiday light show, the proceeds from the Enchanted Forest supported the Saskatoon City Hospital Foundation and Saskatoon Zoo Foundation.

In 2009-2010, SIGA also supported organizations and charitable events through our corporate relations programs. Donations like corporate table purchases, golf-hole sponsorships, logoed merchandise for silent auctions and prizes, also support the fundraising efforts of hundreds of organizations across the province.

Thank you for your continuous support. Your generosity has touched the lives of children whose lives have been touched by cancer.

– Camp Circle of Friends

Play Responsibly

As a responsible corporate citizen, SIGA has made a commitment to our customers, employees, stakeholders and suppliers to advocate the responsible use of its gaming products and to minimize the potential for harm.

SIGA continues to make strides in the area of Responsible Gaming. Kiosks are installed at all SIGA casinos, which provide education and awareness for casino guests. Kiosk training was held for guest services at all SIGA properties. SIGA also hired a dedicated person to oversee the Responsible Gaming program.

Responsible Gaming training Level One is mandatory for all staff and Level Two training continues to be held at all SIGA casino locations for supervisory positions. SIGA will continue training staff for Level Three which will entail a more comprehensive approach to informed choice and incorporate best practices when dealing with patrons who may be experiencing problems.

In addition, SIGA held discussions with the Canadian Responsible Gaming Council to develop a partnership. SIGA also meets with community groups and works with FNARF Technical Working Group to discuss problem gambling and responsible gaming initiatives.

SIGA's proactive approach to responsible gaming includes:

- staff awareness and training on problem gambling;
- promoting available services;
- providing information and resources materials;
- Responsible Gaming kiosks that provide information in an interactive format, so customers can make informed gaming decisions;
- $2.25 million allocated annually to the First Nations Addictions Rehabilitation Foundation (FNARF).

2009 SIGA Scholarship Awards

On November 23, 2009 SIGA announced the winners of the 2009 SIGA First Nation Scholarship Awards. $25,000 is available annually to First Nations students in Saskatchewan to assist them in their educational pursuits. In total, 14 First Nations students from across the province were awarded scholarships.

The SIGA First Nations Scholarships Awards program provides opportunities to encourage education and continued learning. The program also helps students successfully achieve career goals within SIGA and the broader community. SIGA developed the scholarship program to address fields where recruiting has traditionally been a challenge.

Two $5000 scholarships are awarded to students in Information Technology, Commerce or Hospitality and Tourism Management. In addition, two $2500 scholarships are awarded to students studying Communication or Electronics and ten $1000 scholarships are awarded to eligible students in any other field.

The SIGA scholarship selection committee focused on the students' commitment to their chosen field, level of community participation within cultural events through volunteerism and the individual's financial needs.

SIGA Volunteer Program

SIGA has continued supporting community initiatives by developing an employee owned and driven volunteer program. The program includes the coordination of the Volunteer Program Advisory Committee and recruitment messaging, recruitment of local site volunteer coordinators and committees and the acquisition of Volunteer T-shirts and rewards for volunteers. SIGA had previously designated volunteer pilot programs at two locations in the previous fiscal year: Northern Lights Casino and Living Sky Casino. Community partners were chosen for these two pilot locations.

SIGA employees continue to volunteer for many causes in their communities. SIGA's Volunteer Program will only add to our commitment to Building Success in our communities.

Saskatchewan Indian Gaming Authority

The Saskatchewan Indian Gaming Authority and its family of casinos are where your friends play. The casinos provide exceptional entertainment value through the excitement of all the latest gaming products in addition to a unique brand of traditional First Nations hospitality and service.

Visitation and profitability continue to increase at SIGA casinos and as a result the organization surpassed projections in guest visits. The casinos welcomed over 4M guests while once again surpassing profits of $60M in 2009/10. This past year, SIGA continued to reinvest in its existing properties, including new HVAC systems for better air quality, delis, and beginning construction on SIGA's first hotel at the Bear Claw Casino. These investments ensure we provide our customers with an enjoyable facility to visit, while providing our employees with a comfortable working environment.

The six casinos located across Saskatchewan feature 1,870 slot machines; 54 live table games; a full line of food and beverage services; and a live entertainment stage in each facility. SIGA's intent with each casino is to design a modern facility that reflects the region, the people and First Nations tradition. SIGA continues to build and design casinos with features that are rooted in First Nations culture and natural elements reflecting the area. Each of our casinos is different and unique.

As a non-profit gaming and entertainment company, all profits are returned to the people of Saskatchewan. 50% of profits support First Nations communities, 25% supports local community development, and 25% is returned to the Provincial General Revenue fund.

MONEY to BURN
PROGRESSIVE

Bear Claw Casino

WHITE BEAR FIRST NATION

GM / EDWARD LITTLECHIEF

Nestled in the scenic Moose Mountain Provincial Park in southeast Saskatchewan, the Bear Claw Casino is SIGA's most historic casino. The Bear Claw Casino originally opened in 1993 on the White Bear First Nation near Carlyle, SK. It was shut down in what was a highly contentious and emotional part of history between First Nations and the provincial government regarding gaming in Saskatchewan. The casino re-opened in November 1996 and has been successfully operating ever since.

The Bear Claw Casino includes 30,000 square feet of floor space which includes: 122 slot machines and 4 live table games; Growlers Restaurant; a live entertainment stage and Bear Necessities gift shop. The warmth and comfort of the casino will be a memory that will last a lifetime.

2009/2010 was a great year for growth and development at the casino. The casino hosted a variety of successful outdoor events including: the White Bear powwow, bull riding, six concerts, and holiday events such as Canada Day (July 1st) and National Aboriginal Day. In addition, there were renovations done to the kitchen, washrooms and new fixtures were installed to modernize the facility.

This past year, construction began to renovate Bear Claw Hotel, which will further drive traffic and additional customers to the area. The Bear Claw Casino and Hotel will be SIGA's first resort destination. The 36 room hotel is scheduled to open in summer 2010.

CASHIER
bear claw

Dakota Dunes Casino

WHITECAP DAKOTA FIRST NATION

GM / GARY DANIELS

The magnificent $60M casino opened in August 2007 and is SIGA's largest casino, employing over 500 people. The casino is located on the Whitecap Dakota First Nation, 20 kilometres south of Saskatoon and was a finalist for best casino design at the National Gaming Conference in Las Vegas in 2008.

The 80,000 square foot entertainment facility offers the excitement of 603 slot machines and 14 live table games. It also provides the convenience of a deli and restaurant to whet the appetite and a fully functional multi-purpose Tatanka Tipi room which has hosted a variety of conferences and performances. Dionne Warwick, Tom Cochrane, and Nitty Gritty Dirt Band are just a few of the acts that have played the venue.

The Dakota Dunes Casino became the first to use SIGA's new Box Office ticket purchasing system which made it more convenient for customers to purchase tickets online.

Gold Eagle Casino

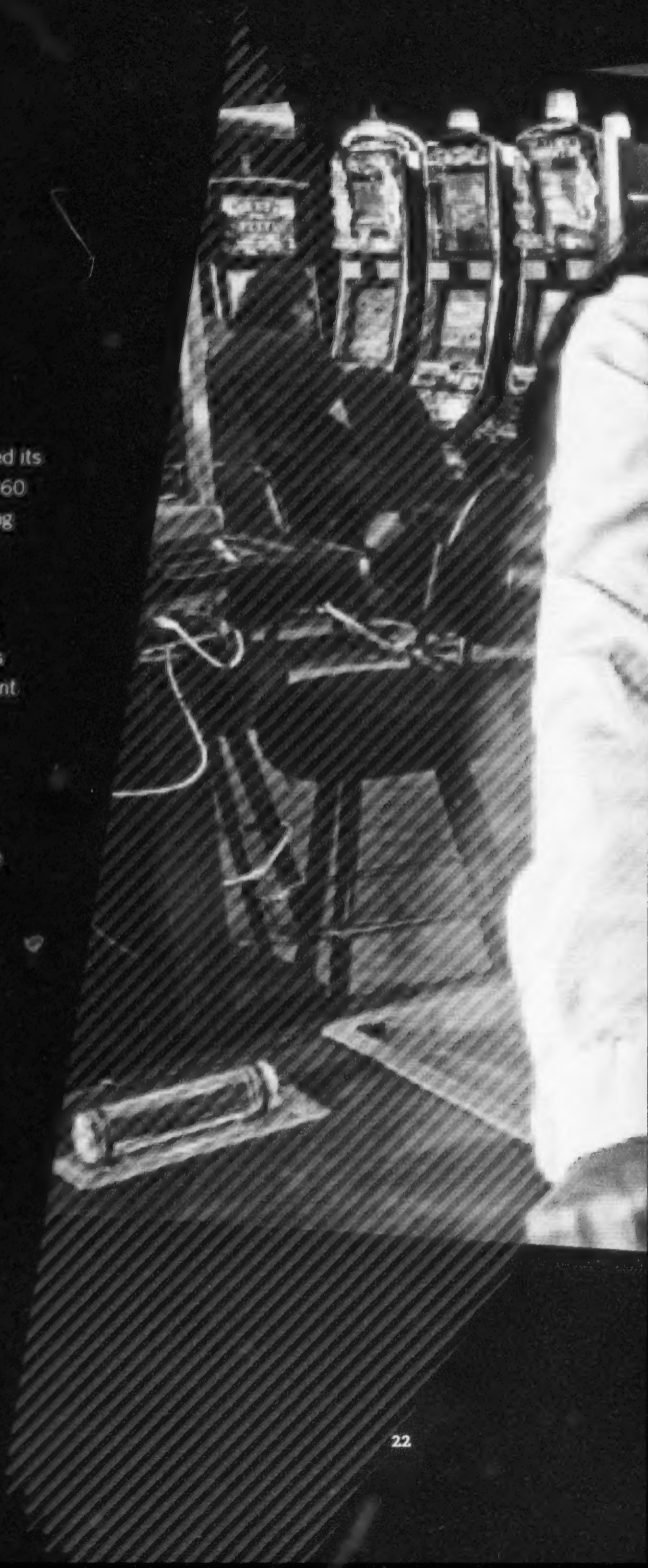
MOSQUITO FIRST NATION

GM / KELLY ATCHEYNUM

Located along the Yellowhead Highway in North Battleford, Gold Eagle opened its doors in March 1996 and is one of the area's largest employers, employing 360 local residents. The 39,000 square feet of floor space includes a large gaming floor, featuring: 279 slot machines, 10 live table games, restaurant (Kihiw Restaurant) and multi-purpose room (Gold Ridge Centre).

The Gold Ridge Centre continues to play a major role in the casino's ongoing success, lending space for meetings, weddings, entertainment/shows, various promotions, and conferences. This venue has hosted a variety of entertainment acts in the past including Canadian rockers April Wine and Prism.

Improvements through SIGA's reinvestment program are ongoing at the casino. Improvements to the exterior of the building will continue including new awnings for the Gold Ridge Centre and front entry canopy. This year, a new HVAC unit to improve air quality was installed, and a new shuttle service was added.



EAGLE CASINO

Living Sky Casino

NEKANEET FIRST NATION

GM / LIONEL TOOTOOSIS

In partnership with the File Hills Qu'Appelle Tribal Council, SIGA entered its sixth and newest market late in 2008. The casino overcame early recruitment challenges to open on time and within budget.

The $35M casino opened to the public on December 29th in Swift Current. This new modern casino, with circular gaming floor, offers 168 slot machines, 8 live table games and a delicious buffet in Horizons Restaurant. Valet parking and shuttle service is also available for customers. The casino is conveniently located along the Trans Canada Highway, where over a million cars pass through annually.

In partnership with the community, the Living Sky Casino opened the state-of-the-art performing arts and entertainment centre known as "Sky Centre" in February 2009. The casino played host to the legendary Wayne Newton as part of its official grand opening ceremonies. The Sky Centre has been a welcome addition and has been well received by the community.

The Living Sky casino employs over 270 local people in Swift Current and has become one of the city's largest employers. Casino staff have immersed themselves in the community, assisting with local events and organizations.

Northern Lights Casino

PETER BALLANTYNE FIRST NATION

GM / RICHARD AHENAKEW

The Northern Lights Casino is one of the primary entertainment destinations in western Canada. Located in what is known as the gateway to the north, the casino boasts 473 slot machines and the excitement of 11 live table games.

The 42,000 square foot facility offers a large gaming floor, the North Star restaurant and Starlight lounge. Various well-known artists have found their way to the live stage at the Northern Lights Casino over the past 13 years.

The Prince Albert casino opened in 1996 and has undergone a number of renovations in an effort to stay new and modern for the million plus guests who visit each year. The casino recently completed its parking lot expansion and a new HVAC system was installed to improve air quality in the casino. Plans are also underway for renovations and expansion to the smoking room.

The Northern Lights Casino won "Nightclub of the Year" from 2007 – 2009 at the Saskatchewan Country Music Awards.

The casino is one of Prince Albert's largest employers with over 400 employees.

BJ 6

Painted Hand Casino

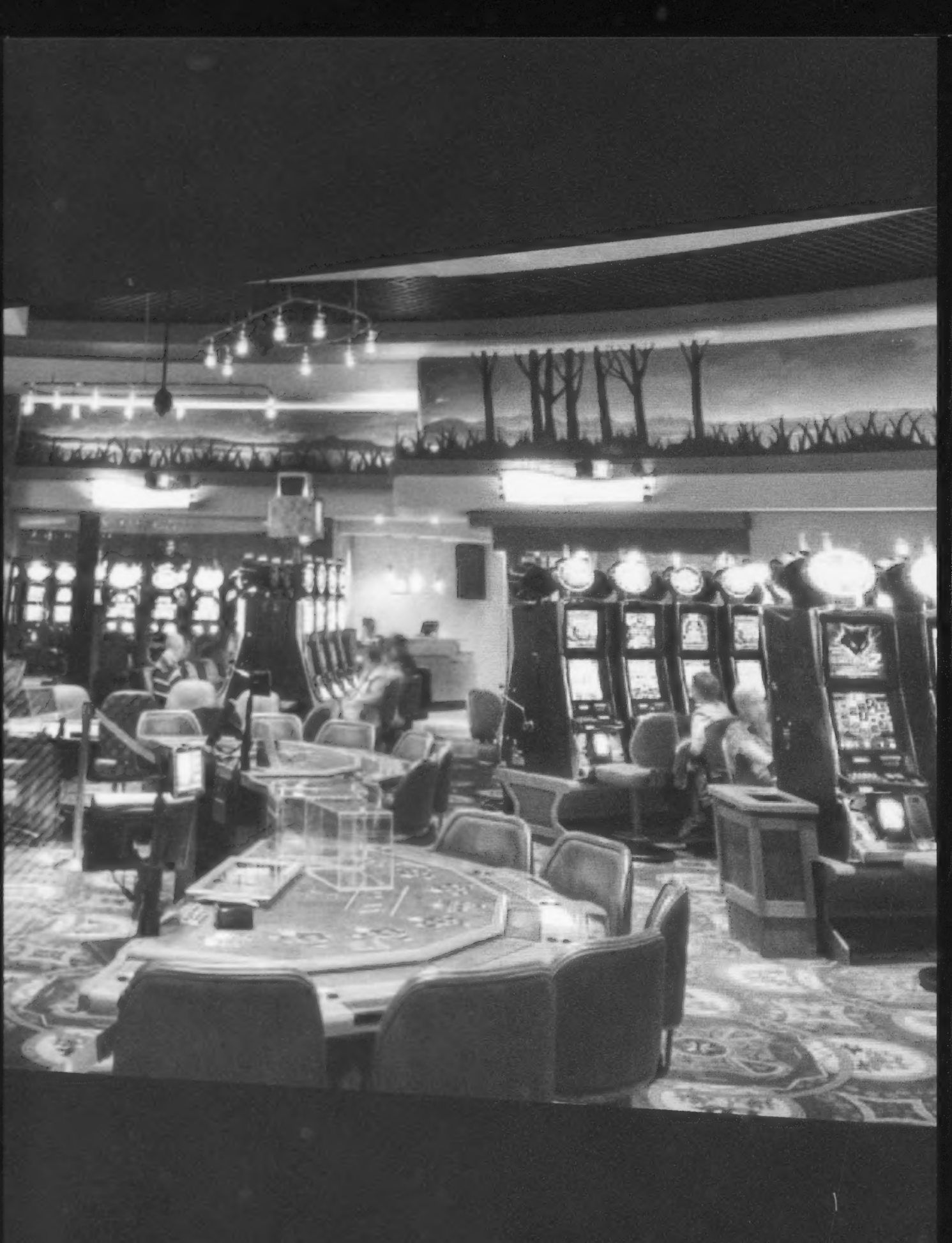
KAHKEWISTAHAW FIRST NATION

GM / JONATHAN PASAP

In March 2009, the Painted Hand Casino made the move into a new $30M building. The 43,000 square foot facility includes a large gaming floor with 225 slot machines and 7 live table games. The uniquely sculpted circular gaming floor includes a deli, bar lounge, fabulous restaurant and multi-function facility, known as the Parkland Room. Free valet parking and shuttle service were added to improve convenience and the overall experience for visitors.

Over the past decade, the Painted Hand Casino has become one of the top entertainment attractions in east central Saskatchewan. The casino has also been a large contributor to local events in the Yorkton area including title sponsor of the 2009 Canada Cup of Curling.

The new modern facility is a joint project with the Yorkton Tribal Council and is conveniently located across the street from Yorkton's Gallagher Centre.



Building Success:
Creating a Better tomorrow for our people

Strategic planning overview

2009/2010 launches a new era for SIGA. With a new governance structure in place, it was an opportune time to review and reset our focus and priorities.

In 2009, SIGA introduced a strategic planning process which lengthened our planning horizon to five years. This is a new process for SIGA, and it will evolve as management and the Board utilize it and communicate to our stakeholders our direction and priorities for the next five years. This comprehensive plan ensures SIGA's future success and development to continue as a leading First Nations gaming organization.

The foundation of our strategy is based on ensuring that three strategic themes are well communicated, understood, and executed. These strategic themes ensure we have a clear focus on providing *Customer Service Excellence*, and that we will continue to *Grow and Develop our Business* as we strive for *Organizational Excellence* in all that we do.

To live our Mission and achieve our Vision, SIGA has developed a customer intimacy strategy that, when executed, will increase net income and First Nations employment. The strategy is designed to utilize the skills and talents of our people by providing inspirational leadership and the support of an organizational culture that reflects our guiding principles and best business practices.

SIGA is using a highly regarded model of planning known as the Balanced Scorecard. This performance management tool helps us ensure that the operational activities and initiatives are aligned with the objectives of the company in terms of vision and strategy. By balancing financial performance, customer expectations, operational processes, and human resource capital, the Balanced Scorecard provides us with a more comprehensive view of our business.

The strategy begins with a foundation of the right people working in a positive environment. It enables SIGA to improve business processes and thereby create a better experience for our customers, which delivers positive benefits to our First Nations shareholders. Through our people, we will build internal capabilities to deliver to our customers a unique First Nations gaming experience that will generate the outcomes required by our shareholders by 2014.

The following table represents an overview of SIGA's strategic plan for 2009-2014.

Shareholder Perspective. What are the outcomes expected by our owners?

STRATEGIC OBJECTIVES	PERFORMANCE INDICATORS	PROGRESS
Increase Revenue	Revenue	$258,976,826
Grow Net Income	Net Income	$60,240,716
Increase First Nations Employment	Total number of First Nations Employees	63% of our employees are First Nations People (1393)
Improved Efficiency	Increase operating margin percentage	Operating margin percentage was 23.2%.
	Cut labour costs and increased employment	Optimizing labour costs; re-evaluating expenditures resulted in $5 million dollars in savings.

Customer Perspective – What are our customers looking for?

Our strategy is "customer intimacy."

STRATEGIC OBJECTIVES	PERFORMANCE INDICATORS	PROGRESS
Friendly Employees	Create an environment where customers feel that staff are welcoming them into their home as guests and are focused on serving the needs of those guests.	Targets identified were met or exceeded at all casinos. Guest surveys indicate a very high satisfaction level.
Recognition and appreciation of guests	Value the contribution of every customer through personal interaction.	Increased visits and increased Players Club membership.
	Guest Satisfaction target was 36.5% of guests being extremely satisfied.	Guest Satisfaction was 50%; 13.5% above targets.
Entertainment Experience	Become the first choice entertainment destination for gaming and non-gaming customers by offering unique entertainment options in the markets we serve.	Focus groups, guest surveys and employee feedback conducted.
		SIGA box office implemented at 5 out of 6 casinos.
		SIGA Casinos in general rated very high for the measurements for this objective and proved to be the first or second choice for entertainment at each location.
Quality Value Priced Dining	Be recognized for providing consistent, high quality, dining options that meet the expectations of each of the market segments we serve and are rated by our customers as providing exceptional value for the price charged.	Standardized menu implemented. Guest surveys indicate a very high satisfaction level.
Memorable Facilities	Be recognized as the highest quality entertainment facility in each market we operate in.	The surveys showed very strong appreciation at all casinos to be attractive, clean, and enjoyable.
		Construction begins on Bear Claw Hotel, SIGA's first fully integrated destination facility.

Internal Perspective – What services do we need to provide/excel?

To achieve our desired outputs, SIGA will focus on several business process enhancements that are grouped in three primary themes: *Customer Service Excellence, Grow and Develop the Business* and *Organizational Excellence.*

ENHANCEMENTS	STRATEGIC OBJECTIVES	PERFORMANCE INDICATORS	PROGRESS
Customer Service Excellence	Tend to VIP Customers	Recognize the importance of customers with a high value through segmented pricing, promotion, and customer service standards.	First Nations hospitality program. Increased number of VIP touches.
	Ensure Exciting Entertainment	Create a winning atmosphere by celebrating wins and engaging customers with exciting and innovative promotions and events.	Over 300 entertainment events held. Two annual SIGA-wide events (Poker and Slot tournament). Players Club membership grown to over 220,000 members. A variety of promotions and activities held at each casino to ensure our guests receive excellent entertainment value.
	Engage Technology to Deliver Quality Customer Service	Utilize technology to enhance the delivery of customer service and demonstrate to our customers that we have an intimate knowledge of their wants and needs and can be proactive in our communication to them.	Introduced Players Club self-serve kiosk to all casinos. Planned enhancements to the Players Club kiosks for ease of use and quick service.
Grow and Develop the Business	Provide Ancillary Products and Services	Introduce new products and services to customers that add to the experience of visiting the casino.	New products or services introduced in 09/10 included shuttle services (local at PHC, NLC, GEC, BCC), deli (NLC), and Showare (NLC, GEC, PHC, BCC). Bear Claw Casino & Hotel, SIGA's first integrated destination facility, opens in July 2010
	Manage Food and Beverage Standards	Develop the management expertise to offer high quality food and beverage services on a consistent basis that compliment the entertainment and excitement of our gaming products.	New systems introduced will make it easier to measure and monitor established food and beverage standards.
	Business Development and Joint Venture	Develop a comprehensive process that includes market studies, primary research, feasibility studies and financial forecasting to support SIGA in evaluating potential products, business investments, business acquisitions and joint venture investments.	Implemented a comprehensive research component to establish benchmarks, quarterly and bi-annually.

Organizational Excellence	Reputation for Excellence	Ensure SIGA maintains the highest standards for gaming integrity, internal controls, and corporate governance to ensure a high standard of stakeholder and consumer confidence.	Met or exceeded targets for public opinion polling. Bi-annual polling conducted. Regular internal auditing conducted.
	Manage Labour Costs	Labour management processes that provide management with the information required to monitor labour costs.	Under budget in salaries and benefits by controlling variable labour.
	Streamline business processes	Maximize the efficiency of key business processes.	SIGA is in the process of undertaking an efficiency review to assist in this process.
	Project Management	The internal capacity to manage projects.	Provided training support (Masters degree in Project Management) and Project Management opportunities (Bear Claw Hotel project) to develop employee expertise.

Learning & Growth – Our most important resource is our people

For SIGA and our strategic plan to be successful, we must invest in our most important resource – our people.

STRATEGIC OBJECTIVES	PERFORMANCE INDICATORS	PROGRESS
Ensure a talented team	Attract, retain, develop and reward talented individuals that can become integrated into high performance teams.	Increased number of employees. Low turnover rate achieved.
Inspirational Leadership	Support and mentor employees within SIGA to develop the leadership competencies required by the organization to motivate and inspire teams to accomplish SIGA's vision. To create an alignment in SIGA's educational, experiential and compensation programs to recognize and reward individuals' skills and performance.	6778 learning and development events. Implemented mobile computer training lab.
Live SIGA's culture	SIGA's corporate culture is evolving and reflects the intersection of our guiding principles and the business processes we implement.	Employer Supported Volunteer Program pilot launched at NLC and LSC. Employee participation targets achieved.
Provide Information for Making Decisions	To deploy information technology to capture data, provide analysis and make available actionable information to management.	Disaster Recovery analysis and planning phase complete.

Key Risks

Risk Management

At SIGA, business risk is defined as the degree of exposure associated with the achievement of key strategic, financial, organizational and process objectives in relation to the effectiveness and efficiency of operations, the reliability of financial reporting, compliance with laws and regulations, and the safeguarding of assets within an ethical organizational culture.

Principal risks and uncertainties that could affect SIGA's future business results going forward is of primary concern.

Risk Management Governance Structure

Although the SIGA Board is ultimately accountable for overseeing risk management within the Authority as a whole, it has assigned responsibility to the Audit & Finance Committee to oversee the Authority's risk assessment and risk management processes. SIGA senior executives are responsible for ensuring key business risks are identified, defined and prioritized. Executive risk owners are engaged and charged with risk mitigation within limits established by the SIGA Board of Directors. This data is complied in a corporate risk profile that is reported to the Audit & Finance Committee on a quarterly basis. Results of the quarterly risk and control assessment are incorporated into the development strategic planning process.

Business Risks

There are a range of factors that may impact SIGA's results. Principal risks that could negatively affect our results and performance include:

Strategic Risks

Risk to Reputation – We recognize damage to reputation as the most severe risk SIGA faces. Our efforts to mitigate reputation risks include continual building of goodwill by effective communication with stakeholders, commitment to sustainability, transparency, leading-edge corporate governance and best practices.

Economic slowdown – Changes in the economy impact the amount of disposable income people have to spend on entertainment, resulting in reduced gaming revenues. SIGA monitors the external environment and the individual performance of each property.

Financial Risks

Liquidity Risk – The risks that SIGA is unable to meet its financial commitments as they become due or can only do so at excessive costs. SIGA manages its cash resources based on financial forecast and anticipates cash flows.

Theft of Assets – We recognize the extreme importance of maintaining strong controls over the safeguarding of cash and cash equivalent, as specific to the gaming industry. SIGA manages these risks through the design of internal controls to mitigate such occurrences.

Organizational & Process Risks

Risk with loss of key personnel – SIGA recognizes the impact to the organization if there was a loss of key personnel. In order to mitigate the impact of such a loss, executive and senior management succession plans are in place.

Information Risks – SIGA recognizes information for decision making requires accurate, complete, and timely reporting of financial and operational performance. SIGA manages these risks through continual evaluation of the internal controls over financial reporting, for new and existing systems.

Deloitte

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Auditors' Report

TO THE MEMBERS OF THE SASKATCHEWAN INDIAN GAMING AUTHORITY INC.

We have audited the balance sheet of the Saskatchewan Indian Gaming Authority Inc. ("SIGA") as at March 31, 2010 and the statements of gaming operations, deficit and cash flows for the year then ended.

These financial statements are the responsibility of SIGA's management. Our responsibility is to express an opinion on these financial statements based on the audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Saskatchewan Indian Gaming Authority Inc. as at March 31, 2010 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Deloitte & Touche LLP

Chartered Accountants
June 18, 2010

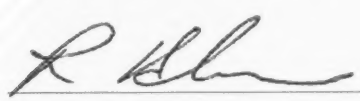
Balance Sheet

Year Ended March 31, 2010

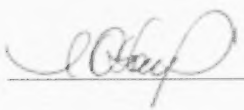
	2010	2009
CURRENT ASSETS		
Cash	$ 23,501,601	$ 20,536,371
Short-term investments	33,820,206	11,813,988
Accounts receivable (Note 7)	2,105,135	3,140,534
Inventory (Note 4)	553,174	619,123
Prepaids	1,343,484	1,997,227
	61,323,600	38,107,243
SOFTWARE (Note 9)	1,671,987	2,226,723
CAPITAL ASSETS (Note 8)	121,853,797	122,964,250
	$ 184,849,384	$ 163,298,216
CURRENT LIABILITIES		
Due to Saskatchewan Liquor and Gaming Authority (Note 10)	$ 51,274,319	$ 33,353,951
Accounts payable and accrued liabilities (Note 11)	17,019,861	22,683,501
Current portion of long-term debt (Note 12)	5,497,985	28,587,226
Current portion of capital lease (Note 13)	749,871	600,090
	74,542,036	85,224,768
LONG-TERM DEBT (Note 12)	67,600,587	37,027,558
CAPITAL LEASE OBLIGATION (Note 13)	42,706,761	41,045,890
INTEREST RATE SWAP LIABILITY (Note 12)	5,492,969	10,359,791
	190,342,353	173,658,007
COMMITMENTS (Note 14)		
CONTINGENCIES (Note 17)	–	
DEFICIT RESULTING FROM UNREALIZED LOSSES ON INTEREST RATE SWAPS	(5,492,969)	(10,359,791)
	$ 184,849,384	$ 163,298,216

See accompanying notes to the financial statements

APPROVED BY THE BOARD



Director



Director

Statement of Gaming Operations

Year Ended March 31, 2010

	2010	2009
REVENUE	$ 254,222,900	$ 239,792,864
COST OF SALES	15,475,972	13,027,694
NET REVENUE	238,746,928	226,765,170
EXPENSES (Note 1)		
Salaries and benefits	77,982,064	68,059,411
General and administrative (Schedule 1)	45,660,034	34,237,910
Other operating (Schedule 2)	25,086,292	25,256,034
Advertising, promotion and sponsorships	22,141,562	24,595,113
Payment to Indigenous Gaming Regulators Inc. (Note 14)	2,911,824	2,607,128
Payment to Saskatoon Prairieland Park Corporation (Note 14)	2,600,004	2,600,004
Building repairs and maintenance	2,124,409	2,189,399
	178,506,189	159,544,999
INCOME DUE TO SASKATCHEWAN LIQUOR AND GAMING AUTHORITY (Note 1)	60,240,739	67,220,171
UNREALIZED GAIN (LOSS) ON INTEREST RATE SWAPS (Note 12)	4,866,822	(7,345,748)
NET INCOME BEFORE DISTRIBUTION TO SASKATCHEWAN LIQUOR AND GAMING AUTHORITY (Note 1)	$ 65,107,561	$ 59,874,423

See accompanying notes to the financial statements

Statement of Deficit

Year Ended March 31, 2010

	2010	2009
DEFICIT		
Balance, beginning of year	$ (10,359,791)	$ (2,178,198)
Unrealized gain (loss) on interest rate Swaps (Note 12)	4,866,822	(7,345,748)
Other distribution to Saskatchewan Liquor and Gaming Authority (Note 10)	–	(835,845)
Balance, end of year	$ (5,492,969)	$ (10,359,791)

See accompanying notes to the financial statements

Statement of Cash Flows

Year Ended March 31, 2010

	2010	2009
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Net income before distribution to Saskatchewan Liquor and Gaming Authority (Note 1)	$ 65,107,561	$ 59,874,423
Items not involving cash:		
Amortization	12,913,938	9,031,116
Unrealized (gain) loss on interest rate swaps (Note 12)	(4,866,822)	7,345,748
Change in non-cash operating working capital:		
Accounts receivable	1,035,399	118,502
Inventory	65,949	(136,969)
Prepaids	653,743	(379,567)
Accounts payable and accrued liabilities	(5,663,640)	5,701,639
Payments to Saskatchewan Liquor and Gaming Authority (Note 10)	(42,320,371)	(72,507,493)
	26,925,757	9,047,399
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES		
Long-term financing advanced	11,078,330	22,928,916
Capital lease obligation	(666,212)	(469,829)
Repayment of long-term debt	(3,594,540)	(2,310,411)
	6,817,578	20,148,676
CASH FLOWS USED IN INVESTING ACTIVITIES		
Purchase of software	(18,296)	(2,456,710)
Purchase of capital assets	(8,753,591)	(30,571,332)
	(8,771,887)	(33,028,042)
INCREASE (DECREASE) IN CASH POSITION	24,971,448	(3,831,967)
CASH POSITION, BEGINNING OF YEAR	32,350,359	36,182,326
CASH POSITION, END OF YEAR	$ 57,321,807	$ 32,350,359
Cash consists of:		
Cash	$ 23,501,601	$ 20,536,371
Short-term investments	33,820,206	11,813,988
	$ 57,321,807	$ 32,350,359
Supplemental Information:		
Cash interest paid	$ 9,936,527	$ 4,807,170

See accompanying notes to the financial statements

1. GENERAL INFORMATION

Saskatchewan Indian Gaming Authority Inc. ("SIGA") is incorporated under the *Non profit Corporations Act, 1995* of Saskatchewan as a Charitable Corporation. The Federation of Saskatchewan Indian Nations ("FSIN") owns the only issued Class A Membership in SIGA. Class B Memberships in SIGA were issued to each of ten Tribal Councils in Saskatchewan that are recognized by the Saskatchewan Indian Gaming Commission of the FSIN as well as one independent member. The Government of Saskatchewan and the FSIN made a Framework Agreement in 2002 that authorizes SIGA to operate casinos. SIGA operates six casinos in accordance with the 2002 Casino Operating Agreement ("Agreement") with Saskatchewan Liquor and Gaming Authority ("SLGA"). SLGA is responsible for the overall conduct and management of the slot machines in those casinos as required under *The Criminal Code of Canada*. Under the Agreement, SIGA is entitled to withhold the casinos' operating expenses, incurred in accordance with the operating policies and directives approved by SLGA, from slot machine revenues. SIGA is required to deposit the remainder into a trust account for SLGA in accordance with the procedures and formulas specified in the Agreement as outlined below. Under the Agreement, SIGA is entitled to recover, in any year, any net loss from the operation of licensed table games and ancillary operations from the net income earned from the operation of slot machines. The Agreement provides for SIGA to use any net income from the operation of licensed table games for charitable or religious objects or purposes. The Agreement expires on June 10, 2027.

The Agreement also provides for SIGA to remit to SLGA the net income from the operation of the slot machines in the SIGA casinos. More specifically, net income from the operation of slot machines is remitted to SLGA in accordance with a formula as defined in the Agreement. This formula provides for SIGA to remit to SLGA, on a weekly basis, one-half of the amount by which actual slot machine gaming revenue exceeds one-fifty-second of SIGA's annual budget. Shortfalls in weekly slot machine gaming revenue as compared to budget are recoverable against future remittances. The remaining one-half of the amount determined above is remitted to SLGA within one-hundred and eighty days of the applicable week. Pursuant to the Agreement, if, at the end of any operating year, SIGA has not been fully reimbursed for amounts to which it is entitled for the operation of casinos, such amounts may be recovered from future operations. SIGA is allowed to retain $5,000,000 as a capital reserve for the sole purpose of acquiring capital assets.

Also, under the Agreement, SIGA has granted a first charge security interest on all its present and after acquired assets to SLGA to secure contractual obligations of SIGA under the Agreement. However, the Agreement requires that upon joint written request by SIGA and its lenders, SLGA shall postpone such security in favour of the lenders who require a prior charge relating to funds lent to SIGA for the financing of its operations carried out in accordance with the Agreement.

On June 11, 2002, the Government of Saskatchewan and the FSIN signed a new gaming Framework Agreement which expires on June 10, 2027. The Government must distribute, in accordance with the provisions of the Framework Agreement, the income remitted to SLGA. Under the provisions of the 2002 Framework Agreement, the Government of Saskatchewan, as represented by the Minister responsible for SLGA, is entitled to recover its proportion of expenses that SLGA determines are not in accordance with the approved operating policies and directives from the future amounts payable to the First Nations Trust Fund.

Effective for the year ended March 31, 2008 and subsequent years, the Casino Operating Agreement between SLGA and SIGA was amended to exclude unrealized gains and losses on interest rate swaps from the calculation of net Casino profits payable to SLGA.

2. CHANGE IN ACCOUNTING POLICIES

FINANCIAL INSTRUMENTS – DISCLOSURES

Effective for its fiscal year ended March 31, 2010, SIGA adopted the Canadian Institute of Chartered Accountants' ("CICA") new recommendations for disclosures relating to fair value measurements. Section 3862 *Financial Instruments – Disclosures* has been amended to require enhanced disclosures for fair value measurements recognized in the balance sheet. SIGA is required to classify and disclose fair value measurements using a three-tier fair value hierarchy based on the lowest level input that is significant to that fair value measurement. As a result of adopting this amendment, new disclosure is provided in Note 20.

2. CHANGE IN ACCOUNTING POLICIES (CONTINUED)

FINANCIAL INSTRUMENTS – DISCLOSURES (CONTINUED)

Effective for its fiscal year ended March 31, 2010, SIGA adopted the CICA's new recommendations for disclosures relating to liquidity risk. Section 3862 *Financial Instruments – Disclosures* has been amended to require enhanced disclosures for liquidity risk in response to current market conditions. SIGA is required to disclose maturity analysis for derivative and non-derivative financial liabilities based on how SIGA manages its liquidity risk. As a result of adopting this amendment, new disclosure is provided in Note 19.

The adoption of these amendments did not have a material impact on SIGA's financial statements.

GOODWILL AND INTANGIBLE ASSETS

Effective for its fiscal year ended March 31, 2010, SIGA adopted CICA Handbook Section 3064, *Goodwill and Intangible Assets* which replaces Section 3062, *Goodwill and Other Intangible Assets* and resulted in the withdrawal of Section 3450, *Research and Development Costs*. Section 3064 provides guidance on the criteria that must be satisfied in order for an intangible asset to be recognized, including internally developed intangible assets. As a result of adopting Section 3064, SIGA has reclassified software from capital assets to software on the Balance Sheet. The adoption of Section 3064 did not impact the corresponding amortization recorded in the Schedule of General and Administrative Expenses on the Statement of Gaming Operations.

3. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). The following is a summary of significant accounting policies:

INVENTORY

Inventory is recorded at the lower of cost and net realizable value. The cost of inventory is determined using the most recent cost.

FOREIGN CURRENCY

Monetary assets and liabilities denominated in foreign currencies are translated at the year-end exchange rates. Revenues and expenses are translated at rates of exchange prevailing on the transaction dates. Translation gains and losses on foreign currency denominated monetary items are taken into income in the current year.

CAPITAL ASSETS

Capital assets are recorded on the balance sheet at cost. Amortization is recorded in the accounts on a straight-line basis commencing in the month the asset is put in use, at rates expected to amortize the cost of the assets over their estimated useful lives as follows:

Asset	Rate
Leasehold improvements	lesser of the useful life of the asset and term of the lease
Casino development	term of the lease
Office furniture and equipment	5 years
Security equipment	5 years
Signage and interior design	5 years
Gaming tables and equipment	5 years
Restaurant equipment	5 years
Coin handling equipment	5 years
Automobiles	4 years
Office module	5 years
Computer equipment	5 years
Artwork	5 years

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

SOFTWARE

Specified intangible assets (software) are recognized and reported apart from goodwill. Intangible assets recognized separately from goodwill and subject to amortization are recorded at cost and amortized using the straight-line method over one year, based upon managements' best estimate of the useful life of the asset.

ASSET IMPAIRMENT

SIGA reviews both long-lived assets to be held and used and identifiable intangible assets with finite lives whenever events or changes in circumstances indicate that the carrying amount of such assets may not be fully recoverable. Determination of recoverability is based on an estimate of undiscounted future cash flows resulting from the use of the asset and its eventual disposition. Measurement of an impairment loss for long-lived assets and certain identifiable intangible assets that management expects to hold and use is based on the fair value of the assets, whereas such assets to be disposed of are reported at the lower of carrying amount or fair value less costs to sell.

SLOT AND TABLE REVENUES

Slot and table revenues represent the net win from those gaming activities calculated as the difference between amounts wagered and prizes paid by the casino. Slot and table revenues are net of accruals for anticipated payouts of progressive jackpots.

COMMITMENT OF NET PROCEEDS OF TABLE OPERATIONS

Liabilities are recorded when amounts to be distributed are approved by the Board of Directors.

ALLOCATION OF EXPENSES

Table operations

Costs allocated to table operations include actual direct expenses, and an allocation of indirect site expenses based on the percentage of gross table revenue to total revenue on an individual casino site basis.

Central office costs are allocated to table operations based on a percentage of gross table revenue to total revenue. These central office costs are then allocated to each casino site based on the percentage of each casino site's table net income to all casinos' table net income before the allocation of indirect site expenses.

Slot machine operations

Costs allocated to slot machine operations include actual direct expenses, and an allocation of indirect site expenses based on the percentage of gross slot revenue to total revenue on an individual casino site basis.

All remaining central office costs net of table games and ancillary allocations are allocated to slot operations. These central office costs are then allocated to each casino site based on its percentage of casino slot net income net of indirect site expenses.

Ancillary operations

Costs allocated to ancillary operations include actual direct expenses, and an allocation of indirect site expenses based on the percentage of gross ancillary revenue to total revenue on an individual casino site basis.

Central office costs are allocated to ancillary operations based on a percentage of gross ancillary revenue to total revenue. These central office costs are then allocated to each casino site based on the percentage of each casino site's ancillary net income to all casinos' ancillary net income before the allocation of indirect site expenses.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

PROMOTIONAL ALLOWANCE

SIGA offers a customer loyalty program to its patrons. As part of the program, members accumulate points based on amounts wagered on slot machines. Members can redeem their points for cash. SIGA records the points accumulated as a liability and a promotional allowance.

PENSION EXPENSES

SIGA's matching contributions to the defined contribution pension plan for employees are recorded as expenses are incurred.

SHORT-TERM INVESTMENTS

Short-term investments consist of investments in a Canadian money market fund and two guaranteed investment certificates. The first guaranteed investment certificate earns interest at an annual rate of 0.58% and matures on October 4, 2010. The second guaranteed investment certificate earns interest at an annual rate of 0.82% and matures on March 25, 2011.

USE OF ESTIMATES

The preparation of financial statements in accordance with GAAP requires management to make estimates that affect the reported value of assets and liabilities and the disclosure of contingent liabilities and commitments at the date of the financial statements and the amounts of revenues and expenses for the year then ended. Significant items subject to estimates include the carrying amounts of capital assets and underlying estimations of useful lives, certain accrued liabilities, and the derivative liability. Actual results could differ from those estimates.

INCOME TAXES

SIGA was incorporated under The Non-Profit Corporations Act of Saskatchewan and is not subject to income tax under the provision of paragraph 149(1)(l) of the Income Tax Act.

SIGA also pays Goods and Services Tax and Provincial Sales Tax to government agencies and claims input tax credits on its ancillary operations.

FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are initially recognized at fair value and their subsequent measurement is dependent on their classification as described below. Cash is classified as held-for-trading and is recorded at fair value. Short-term investments are classified as held-for-trading and are recorded at fair value. Cost approximates fair value for these short-term investments. Accounts receivable are classified as loans and receivables and are recorded at amortized cost. Amortized cost approximates fair value due to the short-term nature of these instruments. Accounts payable and accrued liabilities are classified as other liabilities and are recorded at amortized cost. Due to SLGA is classified as other liabilities and is recorded at amortized cost. Amortized cost approximates fair value due to the short-term nature of these instruments. Long- term debt is classified as other liabilities and is recorded at amortized cost. Fair value information is disclosed in Note 12. In order to manage its interest rate risk exposure, SIGA entered into separate interest rate swap arrangements for the Dakota Dunes, Living Sky and Painted Hand construction projects on December 12, 2007. These arrangements fixed the interest rates for the loan for each construction project at 4.94%, 5.09% and 5.09% respectively over the term of the loans.

These interest rate swaps are classified as held-for-trading and are recorded at fair value. SIGA does not have any outstanding contracts or financial instruments with embedded derivatives that are required to be separately valued. Regular way purchases and sales of financial assets are accounted for at their trade date.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

FAIR VALUE OF FINANCIAL INSTRUMENTS

The fair value of a financial instrument is the amount of consideration that would be agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act. Fair values are determined by reference to quoted bid or asking prices in an active market. In the absence of an active market, SIGA determines fair value based on internal or external valuation models, such as discounted cash flow analysis or using observable market based inputs (bid and ask price) for instruments with similar characteristics and risk profiles.

SIGA classifies fair value measurements recognized in the balance sheet using a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value as follows:

Level 1 – valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 – valuation techniques based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 – valuation techniques using inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Fair value measurements are classified in the fair value hierarchy based on the lowest level input that is significant to that fair value measurement. This assessment requires judgment, considering factors specific to an asset or a liability and may affect placement within the fair value hierarchy.

RECENT ACCOUNTING PRONOUNCEMENTS

In February 2008, the Canadian Accounting Standards Board confirmed that publicly accountable enterprises, will be required to adopt International Financial Reporting Standards ("IFRS") in place of GAAP for interim and annual reporting in the fiscal year beginning on or after January 1, 2011, including comparative figures for the prior year. SIGA has not yet commenced an IFRS conversion project and therefore, the impact on SIGA's future financial position and results of operations is not reasonably determinable.

4. INVENTORY

Inventory totalling $6,711,570 was recognized as cost of sales for the year ended March 31, 2010 (2009 – $6,239,509). No write-downs of inventories were noted for the year ended March 31, 2010 (2009 – $nil), and there were no reversals of write-downs from previous years.

5. UNCOMMITTED NET PROCEEDS OF TABLE OPERATIONS

The Casino Operating Agreement provides for SIGA to use any net income from the operation of licensed table games for charitable or religious objects or purposes. Distributions of funds were made during the year as follows:

	2010	2009
Balance, beginning of year	$ –	$ –
Net loss from table operations (Note 16)	(3,755,229)	(2,066,267)
	(3,755,229)	(2,066,267)
Net loss from table operations allocated to slot operations	3,755,229	2,066,267
Amounts disbursed	–	–
Balance, end of year	$ –	$ –

6. PENSION PLAN

Effective April 1, 1997, SIGA established a pension plan for employees. The plan is a defined contribution plan administered by Great West Life. Substantially all of SIGA's full-time employees participate in the plan. SIGA's financial obligation is limited to matching the required amounts contributed by employees, 6% of salary, which totalled $4,589,518 (2009 – $3,924,932).

7. ACCOUNTS RECEIVABLE

	2010	2009
Accounts receivable	$ 1,958,785	$ 1,491,181
GST input tax credits receivable	51,608	1,569,862
Advances to suppliers, contractors and employees	94,743	79,491
	$ 2,105,135	$ 3,140,534

8. CAPITAL ASSETS

	Cost	Accumulated Amortization	Net Book Value 2010	Net Book Value 2009
Leasehold improvements	$ 34,886,541	$ 14,648,877	$ 20,237,664	$ 20,466,089
Casino development	96,046,403	10,243,245	85,803,158	86,844,246
Office furniture and equipment	8,109,468	4,421,613	3,687,855	4,406,078
Security equipment	6,825,595	3,561,749	3,263,846	4,005,217
Signage and interior design	5,209,617	2,835,490	2,374,127	2,263,011
Gaming tables and equipment	1,871,446	1,098,269	773,177	1,019,177
Restaurant equipment	1,996,513	1,371,329	625,184	665,613
Coin handling equipment	1,535,766	1,034,578	501,188	690,685
Automobiles	2,258,141	1,269,550	988,591	791,232
Office	222,772	16,714	206,058	–
Computer equipment	4,001,492	2,699,963	1,301,529	1,649,502
Artwork	548,396	406,456	141,940	158,325
Construction in progress	1,949,481	–	1,949,481	5,075
	$ 165,461,631	$ 43,607,833	$ 121,853,797	$ 122,964,250

Construction in progress represents costs incurred for capital projects under construction at new and existing casinos. Upon completion, these costs are transferred into the appropriate capital asset category.

Included in casino development above are the following assets under capital lease:

	Cost	Accumulated Amortization	Net Book Value 2010	Net Book Value 2009
Base Building Costs				
- Painted Hand Casino	$ 12,000,000	$ 657,534	$ 11,342,466	$ 9,523,136
- Living Sky Casino	16,000,000	1,128,421	14,871,579	15,732,566
- Dakota Dunes Casino	16,957,554	2,482,887	14,474,667	15,317,852
	$ 44,957,554	$ 4,268,842	$ 40,688,712	$ 40,573,554

9. SOFTWARE

	Cost	Accumulated Amortization	Net Book Value 2010	Net Book Value 2009
Software	$ 3,955,424	$ 2,283,437	$ 1,671,987	$ 2,226,723

Computer software is amortized over a one year period. The amortization expense for software for 2010 $554,736 (2009 – $247,251). There were no write-downs of software due to impairments for the year ended March 31, 2010 (2009 – $nil).

10. DUE TO SASKATCHEWAN LIQUOR AND GAMING AUTHORITY

	2010	2009
Net income related to slot operations (Note 16)	$ 80,979,608	$ 83,892,280
Net loss related to table operations (Note 16)	(3,755,229)	(2,066,267)
Net loss related to ancillary operations (Note 16)	(11,471,812)	(9,398,710)
Indigenous Gaming Regulators Inc. (Note 16)	(2,911,824)	(2,607,128)
Saskatoon Prairieland Park Corporation (Note 16)	(2,600,004)	(2,600,004)
	60,240,739	67,220,171
Balance, beginning of year	33,353,951	37,805,428
Distribution relating to prior year's loss on interest rate swaps	–	835,845
Payments to Saskatchewan Liquor and Gaming Authority	(42,320,371)	(72,507,493)
	$ 51,274,319	$ 33,353,951

11. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

SIGA is required to pay SLGA an amount equivalent to the imputed Goods and Services Tax ("GST") that is payable by SLGA on gaming expenses incurred by SIGA related to its slot machine operations. Included in accounts payable and accrued liabilities are amounts owing to SLGA for GST of $313,158 (2009 – $1,484,279). Also, $4,093,932 (2009 – $5,592,575) is due to SLGA for slot machine and operating system reimbursement is included in accounts payable and accrued liabilities.

12. LONG-TERM DEBT

NEW CASINO PROJECTS FINANCING

In 2007, SIGA entered into a long-term financing agreement with a financial institution ("Bank") for $79 million to finance all of its new casino projects. The Bank syndicated this financing with a secondary lender to provide SIGA with $20 million. The Bank, as the lead lender, is providing SIGA with the remaining $59 million.

SIGA has drawn on the remaining approved financing to complete the construction of new casinos.

During the year, the Bank advanced an additional $6,019,195 related to the construction of the Living Sky Casino and $5,059,135 related to construction of the Painted Hand Casino. These loans are referred to as Construction Facility Tranche B and Construction Facility Tranche C respectively.

The long-term financing agreement is secured by a general security agreement and mortgage of leasehold interests of SIGA's casinos.

12. LONG-TERM DEBT (CONTINUED)

The long-term debt obligations are as follows:

	2010	2009
Construction Facility Tranche B repayable in monthly instalments of $117,762 plus interest at bankers acceptance rate plus 1%, maturity August 2024.	$ 20,419,511	$ 15,106,887
Construction Facility Tranche C repayable in monthly instalments of $88,889 plus interest at bankers acceptance rate plus 1%, maturity August 2024.	15,537,835	11,015,559
Term Loan Tranche D – Fixed Rate repayable in monthly instalments of $165,355 including interest at 5.68%, maturity April 2023.	18,242,183	19,129,712
Term Loan Tranche D – Floating Rate repayable in monthly instalments of $116,667 plus interest at bankers acceptance rate plus 1%, maturity April 2023.	18,316,667	20,362,626
Term Loan Tranche A – Fixed Rate repayable in monthly instalments of $4,460 plus interest at 2.50%, maturity March 2019.	582,376	–
	73,098,572	65,614,784
Less current portion	(5,497,985)	(28,587,226)
	$ 67,600,587	$ 37,027,558

Principal repayments required for the above loans, based on maturity dates, are as follows:

2011	$ 5,497,985
2012	4,975,998
2013	5,039,908
2014	46,999,384
2015	10,585,297

Assuming these facilities are able to be renegotiated at similar terms, the principal payments required would be as follows:

2011	$ 5,497,985
2012	4,975,998
2013	5,039,908
2014	5,107,544
2015	5,179,123
2016 and subsequent	47,298,014

Due to the uncertainty surrounding the terms that would currently be available for debt of similar terms and maturities, fair value information has not been disclosed as fair value cannot be reliably measured.

In order to manage its interest rate risk exposure, SIGA entered into separate interest rate swap arrangements for the Dakota Dunes, Living Sky and Painted Hand construction projects on December 12, 2007. These arrangements fixed the interest rates for the loan for each construction project at 4.94%, 5.09% and 5.09% respectively over the term of the loans. These loan terms are March 2023, March 2024, and March 2024 respectively. The interest rate swap arrangements came into effect for the Dakota Dunes construction project on April 1, 2008 and came into effect for the Living Sky and Painted Hand construction projects on April 1, 2009. A liability of $5,492,969 has been recorded at March 31, 2010 (2009 – $10,359,791), representing the fair value of the instruments. Changes to the fair value are recorded as an unrealized gain or loss in the current period. The notional amount of the interest rate swaps at March 31, 2010, were $18,316,667 for Dakota Dunes, $17,766,594 for Living Sky, and $16,806,111 for Painted Hand.

SIGA has established an unsecured $2,000,000 line of credit with a financial institution. Interest is charged on the line of credit at the financial institution's prime rate plus 1%. At March 31, 2010, no amount is owing on the line of credit (2009 – $nil).

13. CAPITAL LEASE OBLIGATION

On December 23, 2004 SIGA entered into an agreement with STC Casino Holdings Limited Partnership, a related party, for lease of Dakota Dunes Casino on Whitecap Dakota First Nation. Beginning in April 2007, SIGA leased the property from that Partnership for approximately 20 years at an annual cost of $2,248,477.

On October 26, 2005 SIGA entered into an agreement with PHC Holdings Limited Partnership, a related party for lease of Painted Hand Casino in Yorkton. Beginning in February 2009, SIGA leased the property from that Partnership for approximately 19 years at an annual cost of $1,646,400.

On January 26, 2006 SIGA entered into an agreement with FHQ Casino Holdings Limited Partnership, a related party, for lease of Living Sky Casino in Swift Current. Beginning in December 2008, SIGA leased the property from the Partnership for approximately 19 years at an annual cost of $2,195,200.

The minimum lease payments under the capital lease obligation are as follows:

	2010	2009
2011	$ 6,090,077	$ 5,842,226
2012	6,090,077	5,872,885
2013	6,090,077	5,872,885
2014	6,090,077	5,872,885
2015	6,090,077	5,872,885
2016 and subsequent	75,916,079	77,506,395
Total minimum lease payments	106,366,464	106,840,161
Amount representing interest at rates between 12.18% and 13.72%	(62,909,832)	(65,194,181)
Balance of the obligation	43,456,632	41,645,980
Less current portion	(749,871)	(600,090)
	$ 42,706,761	$ 41,045,890

Due to the related party nature of the capital lease obligation, fair value information has not been disclosed as fair value cannot be reliably measured.

14. COMMITMENTS

LEASES

SIGA has obligations under operating leases for buildings, equipment and vehicles. The minimum lease payments required under these operating leases over the next five years are as follows:

2011	$ 5,409,932
2012	4,746,256
2013	4,653,848
2014	4,475,077
2015	4,064,349

The above commitments include amounts committed to related parties of $12,841,628 for years 2011 through 2015.

14. COMMITMENTS (CONTINUED)

SLOT MACHINES

The Casino Operating Agreement requires SLGA to supply slot machines and the slot management system to SIGA for use in its casinos and for SIGA to reimburse to SLGA the cost of these machines over the estimated useful life of the equipment. Included in expenses is $13,370,013 (2009 – $13,107,879) for reimbursement of the purchase of slot machines and the slot machine management system. SIGA estimates total costs over the next five years, based on the machines currently in use, as follows:

2011	$ 9,183,480
2012	7,787,391
2013	5,022,634
2014	1,892,350
2015	301,035

LETTERS OF CREDIT

During the year, SIGA entered into two letters of credit with First Nations Bank of Canada, $52,500 payable to the City of Swift Current, and $200,000 payable to the City of Yorkton.

OTHER

The Casino Operating Agreement requires SIGA, upon receiving direction from SLGA, to pay to Indigenous Gaming Regulators Inc. ("IGR") the amount of IGR's annual operating budget. SLGA has directed SIGA to pay IGR $3,232,128 for 2010-2011 (2009-2010 – $2,911,824).

SIGA entered into an agreement with Saskatoon Prairieland Park Corporation ("SPPC") regarding the maintenance of a certain level of SPPC's income when SPPC closed its casino. SIGA agreed to pay SPPC $2,600,000 annually for 30 years payable in monthly instalments of $216,667. SIGA's obligation under this agreement was effective August 10, 2007.

15. RELATED PARTY TRANSACTIONS

Significant related parties to SIGA include the FSIN, holder of the Class A membership in SIGA, and entities related to the FSIN (including Saskatchewan Indian Institute of Technologies, National Indian Financial Corporation, the First Nations University of Canada and Indigenous Gaming Regulators Inc.). Related parties also include the Tribal Councils of Saskatchewan (and their related entities) that hold Class B memberships in SIGA. These transactions were made in the normal course of business and have been recorded at exchange amounts agreed upon between the parties.

The following are balances outstanding with related parties at March 31, 2010 with comparison to the previous year:

	2010	2009
Accounts receivable	$ 116,332	$ 41,343
Accounts payable and accrued liabilities	4,250	162,458

15. RELATED PARTY TRANSACTIONS (CONTINUED)

Significant transactions with related parties throughout the year with comparison to the previous year are as follows:

	2010	2009
Other revenue	$ –	$ 76,556
Advertising, promotion and sponsorships	29,600	1,223,754
Building rent and occupancy	5,236,684	5,306,875
Consulting	150	138,284
Other operating expenses	10,210	196,696
Travel and sustenance	13,409	40,145
Indigenous Gaming Regulators Inc. (Note 14)	2,911,824	2,607,128

Other transactions with related parties and amounts due to/from them are described separately in these financial statements and the notes thereto.

16. SEGMENTED INFORMATION

SIGA operates in three segments – table operations, slot operations and ancillary operations. The following table shows key amounts by segment.

	Slot Operations	Table Operations	Ancillary Operations	Elimination of Intercompany Transactions	Total 2010	Total 2009
Revenues	$ 229,965,350	$ 11,257,259	$ 17,754,217	$ (4,753,926)	$ 254,222,900	$ 239,792,864
Less:						
Promotional allowance	8,764,401	–	–	–	8,764,401	6,788,185
Cost of sales	–	–	6,711,570	–	6,711,570	6,239,509
Net revenue	221,200,949	11,257,259	11,042,647	(4,753,926)	238,746,929	226,765,170
Expenses	140,221,341	15,012,488	22,514,459	(4,753,926)	172,994,362	154,337,867
Income (loss) before the following:	$ 80,979,608	$ (3,755,229)	$ (11,471,812)	$ –	$ 65,752,567	$ 72,427,303
Indigenous Gaming Regulators Inc. (Note 14)					2,911,824	2,607,128
Saskatoon Prairieland Park Corporation (Note 14)					2,600,004	2,600,004
Net income before distribution to SLGA (Note 1 & 10)					$ 60,240,739	$ 67,220,171

17. CONTINGENCIES

SIGA enters into contractual arrangements with suppliers of services, products and facilities in the normal course of business. Contracts are subject to legal interpretation from time to time and disputes do arise. Management plans to account for such dispute resolutions in the year such disputes are settled, as they cannot be reasonably estimated prior to this time.

In addition, various other claims and lawsuits are pending against SIGA in the ordinary course of business. While it is not possible to determine the ultimate outcome of such actions at this time, and there exist inherent uncertainties in predicting such outcomes, it is SIGA's belief that the ultimate resolution of such actions is not reasonably likely to have a material adverse effect on its financial position or results of operations.

18. CAPITAL DISCLOSURES

SIGA's objectives when managing capital are to ensure adequate capital to support the operations and growth strategies of the Corporation, and to ensure adequate returns to the shareholders.

SIGA funds its capital requirements through the $5,000,000 capital reserve from SLGA, internal operating activities and debt. SIGA also has an available line of credit of $2,000,000 at a financial institution.

SIGA limits the amount of risk in proportion to its capital. The initial financing option of the Dakota Dunes, Living Sky, and Painted Hand casino projects ("casino projects") was limited to variable rate loans. SIGA entered into three interest rate swap agreements to exchange the variable rate debt instruments to fixed rate loans to mitigate fluctuations in interest rates. SIGA also performs environmental scanning to determine if any factors have the potential to change the capital structure of the organization. Risk management reports are presented to the Audit and Finance Committee and Board of Directors on a quarterly basis.

SIGA entered into a credit agreement with financial institutions in order to obtain financing for the casino projects. The agreement identified five financial covenants which are reported on a quarterly basis to the financial institutions. SIGA monitors its capital structure using these covenants. The financial covenants are as follows:

(a) The senior fund debt to earnings before interest, taxes, depreciation and amortization ("EBITDA") ratio shall be less than or equal to 2.5:1.0 for each fiscal quarter ending before or on December 31, 2008 and less than or equal to 2.0 to 1.0 for each fiscal quarter ending on or after December 31, 2008;

(b) The interest coverage ratio shall not be less than 5.0:1.0;

(c) The total debt service coverage ratio shall not be less than 2.0:1.0;

(d) The fixed charge coverage ratio shall not be less than 1.0:1.0; and

(e) The earnings before interest, taxes, depreciation, amortization and rent ("EBITDAR") coverage ratio shall not be less than 2.0:1.0.

Ratios at year-end were 1.04, 7.10, 5.99, 1.56, and 4.54 respectively. In all instances during the year ended March 31, 2010, SIGA was in compliance with the above covenants.

19. FINANCIAL RISK MANAGEMENT

SIGA, through its financial assets and liabilities, has exposure to a number of risks from its use of financial instruments. The following analysis provides a measurement of these risks as at March 31, 2010.

CREDIT RISK

SIGA's principal financial assets are cash, short-term investments, and accounts receivable, which are subject to credit risk. The carrying amounts of financial assets on the balance sheet represents SIGA's maximum credit exposure at the balance sheet date.

SIGA does not extend credit to its gaming customers. Credit risk is limited to its accounts receivable balance which consists primarily of an insurance claim and credit extended to business entities for business functions held at the various casino locations. The credit risk on cash and short-term investments is limited because the counterparties are chartered banks with high credit-ratings assigned by national credit-rating agencies. Credit risk is not considered significant.

FOREIGN EXCHANGE RISK

SIGA faces exposure to the U.S./Canadian dollar exchange rate through the purchase of goods and services payable in the U.S. dollar. The risk is not considered significant.

19. FINANCIAL RISK MANAGEMENT (CONTINUED)

INTEREST RATE RISK

Interest rate risk is the risk of financial loss resulting from changes in market interest rates. SIGA has entered into interest rate swaps which fix the interest rate on their casino project loans. At March 31, 2010, if interest rates at that date had been 100 basis points lower with all other variables held constant, net income before distribution to SLGA for the year would have been $3,325,000 lower, arising mainly as a result of higher unrealized losses on interest rate swaps, partially offset by lower interest expense on variable borrowings. If interest rates had been 100 basis points higher, with all other variables held constant, net income before distribution to SLGA for the year would have been $3,325,000 higher, arising mainly as a result of lower unrealized losses on interest rate swaps, partially offset by higher interest expense on variable borrowings.

LIQUIDITY RISK

Liquidity risk is the risk that SIGA is unable to meet its financial commitments as they become due or can only do so at excessive cost. SIGA manages its cash resources based on financial forecasts and anticipated cash flows.

The following summarizes the contractual maturities of SIGA's financial liabilities as at March 31, 2010:

		Contractual cash flows				
Financial Liabilities	Carrying Amount	0 - 12 months	1 - 2 years	3 - 5 years	More than 5 years	Total
Payable to SLGA	$ 51,274,319	$ 51,274,319	$ –	$ –	$ –	$ 51,274,319
Accounts payable and accrued liabilities	17,019,861	17,019,861	–	–	–	17,019,861
Debt	73,098,572	9,322,472	9,092,286	68,493,682	–	86,908,440
Capital lease	43,456,632	6,090,077	6,090,077	18,270,231	75,916,079	106,366,464
Derivative liability	5,492,969	–	–	–	5,492,969	5,492,969
	$ 190,342,353	$ 83,706,729	$ 15,182,363	$ 86,763,913	$ 81,409,048	$ 267,062,053

Management believes its ability to generate funds will be adequate to support these financial liabilities.

20. FAIR VALUE OF FINANCIAL INSTRUMENTS

ESTABLISHING FAIR VALUE

The fair value of cash, accounts receivable, due to SLGA, and accounts payable and accrued liabilities approximates their carrying values due to their short-term maturity.

The fair value of short-term investments is based on quoted bid prices.

The fair value of derivative instruments is calculated using pricing models that incorporate current market prices and the contractual prices of the underlying instruments, the time value of money and yield curves.

The fair value of long-term debt is addressed in Note 12.

20. FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTINUED)

FAIR VALUE HIERARCHY

The following table presents the financial instruments recorded at fair value in the balance sheet, classified using the fair value hierarchy described in Note 3:

	Level 1	Level 2	Level 3	Total financial assets and financial liabilities at fair value
Financial assets				
Cash	$ 23,501,601	$ –	$ –	$ 23,501,601
Short-term investments	33,820,206	–	–	33,820,206
Total financial assets	$ 57,321,807	$ –	$ –	$ 57,321,807
Financial liabilities				
Interest rate swap liability	$ –	$ 5,492,969	$ –	$ 5,492,969
Total financial liabilities	$ –	$ 5,492,969	$ –	$ 5,492,969

During the year, there has been no significant transfer of amounts between Level 1 and Level 2.

21. COMPARATIVE FIGURES

Certain of the prior year's balances have been reclassified to conform with the current year's presentation.

SCHEDULE OF GENERAL AND ADMINISTRATIVE EXPENSES SCHEDULE 1

Year Ended March 31, 2010

	2010	2009
Amortization	$ 12,913,938	$ 9,031,116
Building rent and occupancy	9,967,281	8,341,006
Interest on capital lease obligation	5,140,153	2,510,382
Interest on long-term debt	4,796,374	2,290,054
Imputed goods and services tax	4,132,701	4,741,057
Accounting and internal audit services	1,549,720	539,445
Consulting	1,168,924	1,179,223
Staff benefits and recruitment	952,653	1,045,290
Software licenses and agreements	947,157	639,810
Postage and stationary	884,389	913,578
Insurance	653,580	556,440
Board renumeration and travel	645,303	594,520
Miscellaneous	639,012	594,218
Legal	566,139	565,948
Telephone	369,012	463,759
Dues and subscriptions	181,140	73,939
Bank charges	152,558	158,125
	$ 45,660,034	$ 34,237,910

SCHEDULE OF OTHER OPERATING EXPENSES SCHEDULE 2

Year Ended March 31, 2010

	2010	2009
Slot machine and operating system reimbursement	$ 13,370,013	$ 13,107,879
Slot system maintenance reimbursement	4,255,539	4,661,873
Printing	1,201,628	977,344
Departmental supplies	1,198,595	892,746
Uniforms and laundering	1,125,779	999,509
Other	1,070,005	1,034,602
Travel and sustenance	1,020,082	1,650,884
Equipment lease	856,398	966,835
Staff training	556,687	681,851
Equipment repairs	431,566	282,511
	$ 25,086,292	$ 25,256,034

$363,535.3

SIGA Organizational Structure

Federation of Saskatchewan Indian Nations & Chiefs in Assembly

SIGA Board

HUMAN RESOURCES COMMITTEE

GOVERNANCE COMMITTEE

AUDIT AND FINANCE COMMITTEE

ETHICS ADVISORY COMMITTEE

PRESIDENT/CEO
ZANE HANSEN

BOARD SECRETARY
RUBY WILLIAMS

CORPORATE SOLICITOR
BONNIE MISSENS

SENIOR VP FINANCE AND ADMINISTRATION
TIM PROSSER

ACTING SENIOR VP HUMAN RESOURCES
SHAUNA BEAR

SENIOR VP OPERATIONS
VERN ACOOSE

SENIOR VP STRATEGY & BUSINESS PLANNING
PAUL NEWTON

VP CORPORATE AFFAIRS
PATRICIA COOK

VP INFORMATION TECHNOLOGY
DEAN HARTLEY

VP MARKETING
VANCE MCNAB

GM BEAR CLAW CASINO
EDWARD LITTLECHIEF
White Bear First Nation

GM DAKOTA DUNES CASINO
GARY DANIELS
Saskatoon

GM GOLD EAGLE CASINO
KELLY ATCHEYNUM
North Battleford

GM LIVING SKY CASINO
LIONEL TOOTOOSIS
Swift Current

GM NORTHERN LIGHTS CASINO
RICHARD AHENAKEW
Prince Albert

GM PAINTED HAND CASINO
JONATHAN PASAP
Yorkton

Board of Directors

RAY AHENAKEW

Ray Ahenakew of the Ahtahkakoop First Nation was appointed Chair of the SIGA Board in January 2007. Ray was recently profiled as one of Saskatchewan's top 10 most influential businessmen and was the 2009 award winner of the Raj Manek Above & Beyond Award. He has recently stepped down as Acting President of the Saskatchewan Indian Institute of Technologies and now serves in the capacity of business development advisor. Mr. Ahenakew is currently a board member of Peace Hills Trust and has been serving on the Aboriginal Committee for the Auditor General for the past five years. Ray also served as CEO of the Meadow Lake Tribal Council for 17 years, and past appointments include Chair of NorSask Forest Products, co-chair of the National Labour Training Market Board, Champion and Aboriginal co-chair of the National Aboriginal Management Board, Human Resources Development Canada, Agency Tribal Chief, Vice Chief of FSIN and a member of the Board of Governors at the University of Regina.

CHIEF RICHARD BEN

Chief Richard Ben joined the SIGA Board in October 2009. Prior to being elected as Chief of Makwa Sahgaiehcan First Nation, he has served one term as a Band Councillor. Chief Ben's experience includes terms with the FSIN Education and Justice Commissions, as well as a number of boards with the Meadow Lake Tribal Council. Chief Ben's background also includes three years in the army reserve, four years as a Recreation Director on his home reserve, as well as an education in Police Sciences, and Information Technology.

CHIEF REGINALD BELLEROSE

In 2008, Chief Reginald Bellerose joined the Saskatchewan Indian Gaming Authority Board of Directors. He was re-elected in February of 2009 to his third term as Chief of Muskowekan First Nation. Chief Bellerose has a Bachelor of Arts degree from Concordia University College, Edmonton and has completed a Masters program in Project Management at the University of Saskatchewan.

CAROLE BRYANT

Carole Bryant rejoined the SIGA Board in January 2010. Carole is currently VP of Administration and Quality Improvement with the Ranch Ehrlo Society. She has had a diverse career experience in social work, community development, HR, corporate services, board governance and communication. Carole is the president of the Saskatchewan Association of Social Workers (SASW) and former President of the Regina and District Food Bank. She was one of the founding board members of SaskPower Commercial Inc. Carole recently completed her second term on the Luther College Board of Directors, and is a director of the Regina Rotary Club. She is also a former board member of Investment Saskatchewan. Carole has both an undergraduate and a master's degree in social work. She completed her MBA from Queen's University in Kingston and has her CMA designation.

BOB GEROW

Bob Gerow was appointed to the SIGA Board of Directors by the Agency Chiefs Tribal Council (ACTC) in 2008. Bob, a member of the Victoire Métis Local, has worked in First Nations Education and Administration for the past 33 years. He is currently the Executive Director with the Agency Chiefs Tribal Council. Bob holds a B.A., B. ED, P.G.D. and Masters in Education.

VICE CHIEF EDWARD HENDERSON

Vice Chief Edward Henderson of the Montreal Lake Cree Nation joined the Board in December 2005. He is past Chair of Little Red Reserve School Authority and Woodland Cree Board and currently serves on the boards of PAGC Education, Forestry, Women's Commission, Sports Culture and Recreation, Saskatchewan Indian Equity Foundation, First Nations University of Canada and the Saskatchewan Indian Education & Training Commission. Edward is currently in his second term as Vice Chief of the Prince Albert Grand Council.

Gary LaPlante is currently in his sixth year as a SIGA Board Member, having been appointed in 2003 after serving briefly in 2000. He is also a Board Member and Chair of the Reserve Creation Committee for the First Nations University of Canada. A member of the Moosomin First Nation, Gary has a Bachelor of Arts Degree and a Business Administration Diploma. His work is primarily in Inter-Governmental Relations as a Policy Advisor and Liaison. He also dedicates time toward the Young Chipewyan First Nation Reclamation.

Isabel O'Soup of Norquay has been a board member with the Saskatchewan Indian Gaming Authority since April 2007 and is former elected Chief of the Key First Nation. She was President of Women on the Move and a member of the board for the First Nations University of Canada and the Saulteaux Healing and Wellness Centre. Isabel O'Soup is also a current board member for the Sunrise Regional Health Authority.

In 2008, Chief Standingready rejoined the Board. He was first appointed to the Board in 2003 holding the position of Chair until January 2007. Brian has held a variety of positions including Chief, council member, and band manager at the White Bear First Nation, near Carlyle. He has also served as the district representative for the Yorkton Tribal Council and has sat on numerous boards, committees and commissions. Chief Standingready was re-elected as Chief of White Bear First Nation in 2007.

Tribal Chief Thomas joined the SIGA Board of Directors in 2008. He was elected Tribal Chief of the Saskatoon Tribal Council in October 2008 and has sat on a variety of boards including IGC, IGR and HSDC. Tribal Chief Thomas has also participated on the committee on Health for the Assembly of First Nations. Previously, Chief of Kinistin First Nation, Felix participated on the Chiefs Committee for the Assembly of First Nations. Tribal Chief Thomas holds a Bachelor of Arts degree.

Chief Shirley Wolfe-Keller joined the SIGA Board in January 2010. She has the distinction of being the first person in Saskatchewan to have been elected Chief of two different First Nations. In 2001, Wolfe-Keller was elected and then served two terms as Chief of the Muskowekwan First Nation. In 2009, she was elected Chief of Fishing Lake First Nation. Chief Wolfe-Keller has served on countless political and non-political boards and worked many hours as a volunteer for families in need over the past 35 years. She has worked 20 years with Peyakowak Family Support, both as a social worker and as Executive Director, and her dedication has earned her awards in social and family work. Chief Wolfe-Keller holds a Certificate in Social Work, a Diploma focusing in Post-Trauma Stress Disorders, and a Bachelor's degree in Social Work from the University of Regina.

Sheldon Wuttunee (B.Ed) joined the SIGA Board in 2008. He was Chief of the Red Pheasant First Nation for the last three years and was recently the Tribal Chair for the Battlefords Agency Tribal Chiefs (BATC).

Sheldon Wuttunee is by trade an educator. His commitment to youth has been evident with his involvement in various youth initiatives and he continues to strive to ensure that youth are given opportunities not only in sports but other sectors as well. He is active with Elders in his community and the Cree culture, being involved in many different aspects of promoting our way of life as First Nations people.

Senator Roland Crowe of the Piapot First Nation joined the SIGA Board in an advisory capacity in 2009. Senator Crowe began a career in public life in the 1960's, serving two years as Councillor and six years as Chief of his home community. In the 1980's, he committed himself to work in the interests of all Saskatchewan First Nations, serving fours years as Vice Chief and two terms as elected Chief of the FSIN. One of his most notable achievements was negotiating the original gaming agreement with the province of Saskatchewan.

Corporate Governance

AUTHORITY

Under the First Nations Gaming Act, the Federation of Saskatchewan Indian Nations created the Saskatchewan Indian Gaming Authority (SIGA) on June 10, 1995. SIGA was then incorporated under The Non-Profit Corporation Act of Saskatchewan on January 11, 1996, and is designated as a charitable corporation. The FSIN owns the only issued Class A Membership. Class B Memberships are held by the Tribal Councils and independent First Nations.

SASKATCHEWAN LIQUOR AND GAMING AUTHORITY

The Province of Saskatchewan, through the Saskatchewan Liquor and Gaming Authority (SLGA), regulates SIGA. This authority is responsible for the approval of budgets, operating policies and procedures and expansion of services. Constant dialogue takes place between the management and employees of both organizations.

OUR STRUCTURE

SIGA's gaming operations are a revenue source for the Saskatchewan's First Nations, the Provincial Treasury and for the Community Development Corporations (CDCs) situated in the six casino locations. The CDCs distribute this money to charitable and not-for-profit community organizations. Profits generated from SIGA's operations are distributed to the First Nations Trust (50%) which is distributed to Saskatchewan's First Nations, the Provincial Government's General Revenue Fund (25%) and the CDCs (25%).

ROLE OF THE BOARD

The Board of Directors is responsible for the stewardship of the organization and is ultimately accountable for the management of the affairs and business of SIGA. In meeting this responsibility, the Board works with management to develop and approve the organization's strategic plan, annual budgets and business plans, and ensures that a communication policy is in place. It has established terms of reference addressing its principal duties and responsibilities as a Board.

While focusing on the strategic direction of the organization, the Board delegates day-to-day operations to the President and CEO. The Board has resolved to adopt a policy governance model that empowers the President and CEO and holds him accountable for achieving the Board's ends directives, managing risks, and complying with the Casino Operating Agreement and Board policies. In addition, the organization has a comprehensive Delegation of Authority Policy that governs the approvals and spending authorities for all managers consistent with their responsibilities, accountabilities and budgetary allocations, and specifies those matters that require Board approval: items specific to capital expenses (including renovation projects) planned over $1,000,000; and unplanned $500,000, any property management, land and building leases, and all other operating expenses and contracts over $500,000.

All of its Directors are independent of management and no member of management serves as a Director. The Board held 12 scheduled meetings in the 2009/10 fiscal year with a number of additional meetings to deal with specific business issues.

BOARD CHAIR – RAY AHENAKEW

The Chair provides leadership by guiding the Board, coordinating its activities and fostering relationships in the best interests of the organization. The Chair, while working closely with the President and CEO, retains an independent perspective to best represent the interests of SIGA, the Board, and the communities they serve. The Chair, on behalf of the Board, reports to the FSIN Economic and Community Development Commission (ECDC) and the FSIN Legislative Assembly on the affairs of the corporation, including all business aspects of casinos owned or operated by SIGA. The Chair, in turn, reports to the Board of Directors any recommendations offered by ECDC and the Assembly. The Board has delegated authority and assigned responsibility to the Board Chair for managing SIGA's relationship with the shareholders as per policy B03-012. Board Chair – Terms of Reference.

DIRECTORS

The Board of Directors was comprised of not more than nine members for a portion of the year and 12 members for the remainder. The Federation of Saskatchewan Indian Nations and the Tribal Councils nominate these members (one per Tribal Council). Only individuals registered as gaming employees under The Alcohol and Gaming Regulation Act 1997 may be members of the Board.

A change in the structure and composition of the SIGA Board took place on January 30, 2008, as per the Casino Operating Agreement and SIGA having met the requirements of sustained progress. The new Board structure will be comprised of no more than 13 Directors and will have a Senate appointment as per the FSIN Legislative Assembly Senate Act.

The 2009/10 Directors are as follows:

- Ray Ahenakew
- Vice Chief Edward Henderson
- Isabel O'Soup
- Gary LaPlante
- Sheldon Wuttunee
- Tribal Chief Felix Thomas
- Chief Reginald Bellerose
- Chief Brian Standingready
- Robert Gerow
- Chief Richard Ben joined the Board in November 2009
- Chief Shirley Wolfe-Keller joined the Board in January 2010
- Carol Bryant joined the Board in February 2010
- Senate Advisor Roland Crowe

COMMITTEE STRUCTURE

The Board may appoint any committees that it considers necessary for the efficient conduct of the affairs and business of SIGA and may prescribe the duties of any committee it appoints. It is important to note that assignment of responsibility by the Board to a committee does not absolve the full Board from responsibility for a committee's work or decisions. The Chair is ex-officio on all committees and may attend any meeting as deemed appropriate. All committees have established terms of reference governing their conduct and mandate. The Board of Directors has established the following committees: Audit and Finance, Human Resources and Compensation, Ethics Advisory and Governance.

AUDIT AND FINANCE COMMITTEE – ISABEL O'SOUP, CHAIR

The Audit and Finance Committee monitors the financial performance and internal controls of SIGA, assesses risk management strategies, and acts as a liaison between the internal and external auditors and the Board. This committee is responsible for the internal audit function and has retained an independent internal auditor who has unimpeded access to corporate information and reports directly to the Audit and Finance committee. The committee monitors internal controls over the financial reporting process, auditing matters and financial reporting issues. The SIGA audit is completed by the audit firm Deloitte and Touche. In addition to the statutory audit requirements, Deloitte and Touche submits management letters that contain internal control recommendations and identification of management and system control risks. Deloitte and Touche has examined the corporation's financial statements and issued an auditor's report included in this annual report. In addition, Deloitte and Touche provided non-audit services (application management services for JD Edwards software) totalling $252,942.32. This committee met 18 times in the 2009/10 fiscal year.

HUMAN RESOURCES AND COMPENSATION COMMITTEE – FELIX THOMAS, CHAIR

The objective of the Human Resources and Compensation Committee is to assist the Board of Directors in meeting their responsibilities by monitoring and reviewing human resource and compensation strategies, policies and procedures. This committee met 4 times in the 2009/10 fiscal year.

ETHICS ADVISORY COMMITTEE – EDWARD HENDERSON, CHAIR

The Ethics Advisory Committee is responsible for monitoring the best practices in corporate ethics and annually reviewing the Authority's ethics policies, processes and practices to ensure that the Authority continues to exemplify high standards of corporate ethics. The committee monitors compliance with the code of conduct, conflict of interest and disclosure of wrongdoing policies on behalf of the Board. This committee met 6 times in the 2009/10 fiscal year.

GOVERNANCE COMMITTEE – REGINALD BELLEROSE, CHAIR

The Governance Committee is responsible for, and reports to the Board about, the corporate governance processes of the Board. The Governance Committee monitors the functioning of the Board and committees of the Board, and recommends governance issues to be discussed by the Board and committees of the Board. It is also responsible for ensuring timely and complete information and decision-making at the Board and committee levels. The Governance Committee is responsible to ensure annual review of the terms of reference of the Board and its committees. The committee coordinates the bi-annual evaluations of the Board, the Board Chair, committees and the Director's self-assessments. The evaluations of the Board and its committees was completed in spring 2010. The Governance Committee also oversees the annual evaluation of the CEO. The Board engaged with Shercon Associates Inc., an independent third party, to conduct the evaluation of the President and CEO and the Board and its committees. This committee met 5 times in the 2009/10 fiscal year.

GOVERNANCE PRACTICES

The SIGA Board has formally adopted a governance model with generally-accepted governance practices, and a suite of corporate governance policies. These policies ensure continuity of good governance practices and provide ongoing direction for the Board, its committees, and management. To ensure that SIGA continues to exemplify high standards of corporate governance, it has been mandated by the Board that the corporation's governance practices be monitored annually and an audit of all governance practices be conducted every three years with the most recent being completed in January 2009 by the audit firm of Prosser and Associates.

According to the audit firm Prosser and Associates, SIGA's current governance practices are consistent with the guidelines advocated in the Ontario Securities Commission National Policy 58-201. SIGA's current disclosure practices are consistent with the guidelines set out in the Ontario Securities Commission National Policy 58-101.

The Board substantially complies with its corporate governance policies. Unlike a publicly held entity, SIGA is not required to comply with these policies. The corporation, however, has adopted an approach of benchmarking itself to these standards.

SIGA's alignment with the CSA Corporate Governance Guidelines is set out in the following scorecard:

CSA Corporate Governance Policy

NP58 – 201, AND DISCLOSURE INSTRUMENT, NI58 – 101FI

	SIGA's Governance Practices	Does SIGA Align?
COMPOSITION OF THE BOARD		
NP 58-201, section 3.1		
The Board should have the majority of independent Directors.	The Directors on the SIGA Board are (12 out of 12) independent. *SIGA's Board composition is 13 members with only 12 of those Directors being confirmed as of this date.	
NI 58-101F1, sections 1(a) and (d)		
1 (a) Disclose the identity of Directors who are independent; (b) Disclose the identity of Directors who are not independent and the basis for that determination; (c) Disclose whether the majority of Directors are independent; and (d) Disclose whether a Director is a Director of any other issuer that is a reporting issuer.	Ray Ahenakew, Chair: Independent – Advisor to the Saskatchewan Indian Institute of Technologies Edward Henderson, Vice Chair: Independent – Vice Chief, Prince Albert Grand Council Gary LaPlante, Director: Independent – Political and Policy Advisor Battlefords Tribal Council Sheldon Wuttunee, Director: Independent – Red Pheasant First Nation Isabel O'Soup, Director: Independent – Consultant, Key First Nation Felix Thomas, Director: Independent – Tribal Chief, Saskatoon Tribal Council Reginald Bellerose, Director: Independent – Chief, Muskowekwan First Nation Brian Standingready, Director: Independent – Chief, White Bear First Nation Robert Gerow, Director: Independent – Director of Education, Agency Chiefs Tribal Council Richard Ben, Director: Independent – Chief, Makwa Sahgaiehcan First Nation Shirley Wolfe-Keller, Director: Independent – Chief, Fishing Lake First Nation Carol Bryant, Director: Independent – VP Admin and Quality Improvement, Ranch Ehlo Society This criterion is met by all current Board members being external Directors (i.e. not managers or employees of SIGA) and by having each Board member complete and sign code of conduct acknowledgement and conflict of interest disclosure forms. Test results confirmed that completed forms are on file for all Directors. Section 1(d) does not apply to SIGA, as SIGA does not have share capital, and is not an issuer.	
NP 58-201, section 3.2		
3.2 The Chair of the Board should be an independent Director who is the effective leader of the Board, who ensures that the Board's agenda will enable it to successfully carry out its duties.	The Chair of the Board is an independent Director who provides leadership in Board organization, processes, effectiveness and renewal and serves as a liaison between the roles of the Board, shareholders and that of President and CEO.	

NI 58-101F1, section 1(f)	SIGA's Governance Practices	Does SIGA Align?
1 (f) Disclose whether the Chair of the Board is an independent Director; disclose the identity of the Chair and describe the role of the Chair.	Ray Ahenakew assumed the Chair responsibilities in January 2007 and is an independent Director. The Chair reports to the Board and ultimately to the shareholders and is responsible for presiding over meetings of the Board and ensuring the Board discharges its fiduciary and legal responsibilities. The Chair's primary duties include: • Act as a sounding Board and counselor for the President and CEO, including helping to identify problems, reviewing strategy, maintaining accountability, building relationships and ensuring that the President and CEO is aware of concerns of the Board and the communities the Authority serves. • Lead the Board in monitoring and evaluating the performance of the President and CEO and the corporation. • Ensure that corporate strategy, plans and performance are presented to the Board. • Ensure the President and CEO presents management succession and development plans at least annually and implements them. • Foster a constructive and harmonious relationship between the Board and management. • Together with the President and CEO, act as a spokesperson for the Authority and oversee the Authority's interfaces with government and other stakeholders. • Ensure the Board has full governance of the Authority's business and affairs and is alert to its obligations to the Authority, to the communities it serves, to management and under the law. • Provide leadership to the Board; assist the Board in reviewing and monitoring the policy, directions and strategy of the Authority and the achievement of its objectives. • Communicate with the Board to keep it up-to-date on all major developments, including timely discussion of potential developments. • Chair Board meetings and attend committee meetings, where appropriate, as ex-officio member of each committee. • Ensure that the Board and management clearly understand their respective roles and respect the boundaries between Board and management responsibilities. • Ensure that the Board has adequate resources to support its work. • Is jointly responsible with the President and CEO for developing ways to involve the Board in the ongoing processes of strategic planning and risk management. • While working closely with the President and CEO, retains an independent perspective to best represent the interests of the Authority, the communities it serves and the Board. • On behalf of the Board, shall report to the Economic Community Development Commission (ECDC) on the affairs of the corporation including all business aspects of casinos owned or operated by the corporation and shall, if so requested, report on the same matters to the FSIN Legislative Assembly. • Reports to the Board of Directors any guidance or advice that ECDC has offered to the corporation. • Is a non-executive appointment.	Yes

	SIGA's Governance Practices	Does SIGA Align?

MEETINGS OF INDEPENDENT DIRECTORS

NP 58-201, section 3.3

3.3 The independent Directors should hold regularly scheduled meetings at which non-independent Directors and members of management are not present.

The terms of reference for the Board and each committee require that the Board and each committee meet regularly without management present. In-camera sessions are a standing agenda item.

Yes. SIGA substantially meets this requirement.

1 (g) Disclose whether the independent Directors hold regularly scheduled meetings at which members of management are not present, disclose the number of such meetings held in the previous 12 months; if such meetings are not held, disclose what the Board does to facilitate open and candid discussion among independent Directors.

There were 12 regular Board meetings held in 2009/10 and during each regular meeting, in-camera sessions are a standing agenda item. Board practices that facilitate open and candid discussion allow for open and direct communication on issues that it may not be appropriate to discuss with representatives of management.

The Board is satisfied that its governance practices foster full and open discussion and debate and that it retains the independence of mind to make decisions in the best interest of the corporation and the shareholder.

NI 58-101F1, sections 1(g)

1 (g) Disclose the attendance record of each Director for the Board meetings held in the most recently completed financial year.

The Board held a minimum of 12 meetings in 2009/10 with a number of additional meetings to deal with specific business issues. The number of Board meetings attended by each Director is set out below:

Directors	Meetings Attended*	Total Meetings
Ray Ahenakew, Chair	22	(23)
Edward Henderson, Vice Chair	18	(23)
Gary LaPlante, Director	12	(23)
Sheldon Wuttunee, Director	14	(23)
Isabel O'Soup, Director	22	(23)
Reginald Bellerose, Director	13	(23)
Brian Standingready, Director	21	(23)
Felix Thomas, Director	20	(23)
Robert Gerow, Director	20	(23)
Shirley Wolfe-Keller, Director	4	(4)
Carol Bryant, Director	3	(3)

*For purposes of this report, members who attended meetings in part were considered to be present. Figures in brackets represent the maximum number for the period in which the individual was a Board member.

	SIGA's Governance Practices	Does SIGA Align?
BOARD MANDATE **NP 58-201, section 3.4**		
3.4 The Board should adopt a written mandate which explicitly acknowledges responsibility for the stewardship of the Corporation and responsibility for;	The Board has adopted a comprehensive written mandate Board policy no. B03-001 that complies with the elements required in this policy. Specific policies B03-008 Board member responsibilities and B03-012 Board Chair terms of reference outline the primary duties and responsibilities of the Board, including the responsibility to function as stewards of the Corporation.	
(a) to the extent possible, satisfying itself as to the integrity of the CEO and executive and that they have created a culture of integrity throughout the organization;	a) One of the Board's principal duties is to choose the President and CEO and monitor and evaluate his/her performance. The President and CEO and senior managers are required to observe the highest standards of ethical conduct, consistent with the values of integrity, impartiality and discretion, both within and outside the workplace, and to promote a corporate culture in which ethical conduct is recognized, valued and exemplified by everyone.	
(b) adopting a strategic planning process and approving at least annually a strategic plan which takes into account, among other things, the opportunities and risks of the business;	b) In 2009/10, SIGA introduced a strategic planning process which lengthened our planning horizon to five years. This is a new process for SIGA and it will evolve as management and the Board utilize it; the benefit is being able to communicate to our stakeholders our direction and priorities for the next five years. SIGA is using a highly regarded model of planning known as the Balanced Scorecard. This performance management tool helps us ensure that operational activities and initiatives are aligned with the objectives of the company in terms of vision and strategy.	
(c) identification of the principal risks of the Corporation's business and ensuring the implementation of appropriate systems to manage these risks;	c) The Corporation is working to establish an integrated risk management function and the corporate "infrastructure" for the identification and management of the risks that could prevent SIGA from achieving its strategic goals and priorities. The Board delegates this responsibility to the Audit and Finance Committee. Provide assurance to stakeholders about the integrity of the organization's financial and non-financial performance.	
(d) succession planning, including appointing, training and monitoring senior management;	d) The Board has approved succession plans for the President and CEO and Senior Executive based on recommendations from the Human Resources and Compensation Committee These plans are reviewed on an annual basis with the Board.	
(e) adopting a Communications policy for the Corporation;	e) The Board has a Communications Policy with processes in place to ensure effective communications with shareholders, stakeholders and the public. SIGA completes a public opinion survey every six months to obtain feedback from stakeholders on the Corporation's activities. A stakeholder newsletter is distributed quarterly to all stakeholder groups. The Chair of the Board and the President and CEO participate in quarterly sessions to provide an update and review the corporation's performance with the FSIN Economic Development Commission, which is comprised of shareholders of the corporation. The annual general meeting of the members was held in September 2009.	
(f) the integrity of the Corporation's internal control and management information systems; and	f) A principal duty of the Board is to identify principal risks of the business in which the Corporation is engaged, to achieve a proper balance between risks incurred and potential returns, and to oversee the implementation of appropriate systems to manage the risks.	
(g) developing the Corporation's approach to corporate governance, including a set of principles and guidelines specific to the Corporation.	g) The Board has delegated the Corporation's approach to corporate governance to the Governance Committee to oversee. The Governance Committee has worked with the internal auditor to complete an audit of the Corporation's governance practices with the following comment from the internal auditor Prosser and Associates: *SIGA's current governance practices are consistent with the guidelines Advocated in the Ontario Securities Commission National Policy 58-201. SIGA's current disclosure practices are consistent with the guidelines set out in the Ontario Securities Commission National instrument 58-101. The Board substantially complies with its corporate governance policies.* To support and ensure timely follow up on any recommendations made in the audit an audit implementation plan has been developed. The Corporation has also established an Ethics Advisory Committee.	

	SIGA's Governance Practices	Does SIGA Align?
NI 58-101F1, section 2		
2. Disclose the Board's written mandate.	The Board's key responsibilities are described above in NP 58-201 section 3.4. The Board's written Mandate, Policy B03-001 can be obtained from the SIGA upon request.	Yes
POSITION DESCRIPTIONS		
NP 58-201, section 3.5		
3.5 The Board should: develop clear position descriptions for the Chair of the Board and the Chair of each committee; together with the CEO, develop a position description for the CEO delineating management's responsibilities; develop or approve corporate goals and objectives that the CEO is responsible to meet.	The Board has adopted specific policies (B03-008 Board Member Responsibilities and B03-012 Board Chair Terms of Reference) which outline the primary duties and responsibilities of the Board Chair and Board members. The Board has adopted mandates for all standing committees, which outline their specific responsibilities. A draft policy for the Committee Chairs has been developed and will be implemented once final Board approval is received. The Board's Terms of Reference sets out matters that require Board approval and delegate other matters to management. The Delegation of Authority Policy, applicable to monetary and non-monetary matters, sets out those matters that require Board approval and delegates other matters to management. The Board annually approves a strategic plan, which includes the Corporate objectives and goals (balanced scorecard targets) for the upcoming year. The CEO is ultimately responsible to the Board for meeting these goals and objectives. The Board assesses the CEO against these performance targets.	Yes
NI 58-101F1, sections 3(a) and (b)		
3 (a) Disclose whether the Board has developed written position descriptions for the Chair of the Board and the Chair of each Board committee and, if not, describe how the Board delineates the role and responsibilities of each such position. (b) Disclose whether the Board and CEO have developed a written position description for the CEO.	3 (a) The committees all have written mandates adopted by the Board that delineate the roles and responsibilities of that committee. Each committee met as follows: Human Resources and Compensation – 4, Governance – 5, Ethics – 6, Audit and Finance – 18. The Chairs of each committee review the minutes from their committee meetings with the full Board at the monthly Board meeting. This allows for effective communication and delineation of responsibilities between the committees. (b) The Board has developed a comprehensive job description for the CEO. The corporation's strategic plan identifies the goals, objectives and performance targets that are to be achieved by the CEO in the fiscal year.	Yes
ORIENTATION AND CONTINUING EDUCATION		
NP 58-201, sections 3.6 and 3.7		
3.6 The Board should ensure new Directors receive comprehensive orientation and fully understand the role of the Board and committees, the contribution individual Directors are expected to make and the nature and operation of the business.	3.6 Through their mandate, the Governance Committee holds the responsibility to ensure and to monitor whether the proper orientation and continuing education training opportunities are made available to the Board. SIGA management has provided comprehensive orientation training to the Directors about the business and the industry. SIGA also provides all Directors with a comprehensive binder that contains essential reference materials.	Yes
3.7 The Board should provide continuing education opportunities for all Directors to enhance their skills and abilities and ensure their knowledge of the corporation's business is current.	3.7 The Corporation makes available to the Directors the opportunity to participate in comprehensive education programs such as: Institute of Corporate Directors – Directors Education Program, Aboriginal Board Governance Development and the Directors College – Chartered Directors Program. All are certified comprehensive education programs with specific focuses on key roles and responsibilities of Boards, committees and Directors. Over the past number of years, a focus has been to identify what skill sets Board members require that will assist them in effectively discharging their responsibilities. Other experts have been brought in to support the Board's development such as outside legal counsel, with expertise in Board governance, to outline the Board's legal and fiduciary responsibilities. As well as industry experts. 8 of the 9 Directors have participated in Financial Literacy training program provided by the external audit firm, Deloitte and Touche in February 2009, and in another session provided by SIGA in September 2009.	Yes

	SIGA's Governance Practices	Does SIGA Align?
CODE OF BUSINESS CONDUCT AND ETHICS		
NP 58-201, section 3.8		
3.8 The Board should adopt a written code of business conduct and ethics applicable to Directors, officers and employees of the corporation designed to promote integrity and deter wrongdoing. This code should address:	3.8 SIGA has developed a written Code of Conduct and Ethics Policy applicable to all Directors, a separate Code of Conduct and Ethics Policy that is applicable to Senior Management and a Code of Conduct and Ethics Policy applicable to the employees.	
(a) conflicts of interest, including transactions and agreements where a Director or officer has a material interest.	The Directors Policy: The purpose of this document is to establish guidelines for conduct required of all Directors of the Saskatchewan Indian Gaming Authority. In addition, each Director must complete a Conflict of Interest Declaration form and a Relationship Declaration form. The declaration forms shall be completed on an annual basis, or more often in the event a potential conflict of interest situation arises. The completed forms are forwarded to and retained on file in the Board secretary's office. Copies are to be provided to the Ethics Committee. Conflict of Interest declarations are completed at every Board and Committee meeting.	
(b) protection and proper use of corporate assets and opportunities;	The President and CEO and Senior Management Policies: President and CEO and senior managers are required to observe the highest standards of ethical conduct, consistent with the values of integrity, impartiality and discretion, both within and outside the workplace, and to promote a corporate culture in which ethical conduct is recognized, valued and exemplified by everyone.	
(c) confidentiality of corporate information;	The President and CEO and all senior managers must sign a declaration form upon commencement of employment with SIGA, acknowledging that they have read and agree to follow SIGA's Code of Conduct and Ethics Policy, sign a Conflict of Interest and a Relationship Declaration form. The declaration forms shall be completed on an annual basis, or more often in the event a potential conflict of interest situation arises. The completed forms are forwarded to and retained on file in the Corporate Solicitor's office and are reviewed with the Ethics Committee.	
(d) fair dealing with the corporation's security holders, customers, suppliers, competitors and employees;		
(e) compliance with laws, rules and regulations; and		
(f) reporting of illegal or unethical behaviour.		
NI 58-101F1, sections 5(a)		
5 (a) Disclose whether the Board has adopted a written code of ethical business conduct for the Directors, officers and employees of the corporation; how to obtain a copy of the code; how the Board monitors compliance with the code; and reference any material change report in the most recent financial year relating to any conduct of a Director or officer that constitutes a departure from the code.	5 (a) A copy of the Directors, President and CEO Code of Conduct Policy can be obtained by contacting SIGA. The Board Chair and the Ethics Advisory Committee monitor compliance with the Code of Conduct Policy for the Directors and the President and CEO. The President and CEO monitors compliance with the Code of Conduct Policy for senior management. The Audit and Finance Committee is responsible for: monitoring and reviewing the financial performance and internal controls of the Authority; monitoring, reviewing and ensuring the adequacy of the Authority's risk management policies and procedures; enhancing the credibility and objectivity of the Authority's financial reports; and acting as a communication link between the Board of Directors, the external and provincial auditors and the internal auditor. The mandate of the Audit and Finance Committee shall be tabled at the annual general meeting for review by the members. The HR and Compensation Committee shall review the authority's overall compensation programs and recommend compensation for the President and CEO and Senior Executive, and ensure that the overall compensation structure provides appropriate incentives to management and employees at all levels.	
NP 58-201, section 3.9		
3.9 The Board should monitor compliance with the code and any waivers granted for the benefit of Directors and executive officers should be granted by the Board or committee. Any waivers for a material departure from the code for any Directors or officers should disclose full details of the material change.	3.9 The Board has delegated to the Board Chair and the Ethics Advisory Committee the responsibility for monitoring compliance with the Authority's Code of Conduct Policy. The Ethics Committee is responsible to receive and consider Directors and Managers Conflict of Interest Policy and Relationship Declaration Forms. None were noted in 2009/10.	

	SIGA's Governance Practices	Does SIGA Align?
NI 58-101F1, section 5(b)		
5 (b) Describe steps the Board takes to ensure Directors exercise independent judgement in considering transactions and agreements where a Director or officer has a material interest	SIGA has a written Code of Conduct Policy applicable to all Directors. The corporation has a Director's Conflict of Interest Policy meant to protect the authority's interest by outlining guidelines for the authority's Board which ensures that a conflict of interest does not exist or appear to exist. The corporation has a Disclosure of Wrongdoing Policy in place and, to further support that, the Board has implemented an employee hotline that is independently operated. The hotline provides a means for employees to report allegations of serious wrongdoing and identify situations where wrongdoing is or has occurred so it can be eliminated.	
5 (c) Describe other steps the Board takes to encourage and promote a culture of ethical business conduct.		
NOMINATION OF DIRECTORS		
NP 58-201, section 3.10		
3.10 The Board should appoint a nominating committee composed of entirely independent Directors.	As identified in the by-laws of the corporation the Board structure will be comprised of no more than 13 Directors. The Federation of Saskatchewan Indian Nations and the Tribal Councils appointing twelve of these Directors (one per Tribal Council) with the SIGA Board appointing one independent Director with financial expertise. All appointments are ratified by the Federation of Saskatchewan Indian Nations Legislative Assembly. The SIGA Board has undertaken the responsibility of developing a skills profile for its Board members. It is distributed to all shareholders for their use as criteria to base their nomination/selection of Directors.	
COMPENSATION		
NP 58-201, section 3.15		
3.15 The Board should appoint a compensation committee composed entirely of independent Directors.	The Board has appointed a Human Resources and Compensation Committee of entirely independent Directors.	
NP58-201, section 3.16		
3.16 The compensation committee should have a written charter establishing the committee's purpose, responsibilities, member qualifications, member appointment and removal, structure, operations (including any authority to delegate to individual Directors or subcommittees) and manner of reporting to the Board. In addition, the compensation committee should be given authority to engage and compensate outside advisors necessary to permit it to carry out its work.	The Board has approved a mandate for the Human Resources and Compensation Committee with the core responsibilities to: • Annually review and monitor Senior Executive contracts, compensation and benefits program and recommend changes where appropriate. • Annually review and monitor other senior management and staff compensation and benefits program and policies and recommend changes or new programs where appropriate. • Ensure there are ongoing executive development programs that help promising individuals within the organization develop the critical skills identified in the succession plan. • Annually review the administration of all management and staff benefit and compensation plans to ensure conformity with approved policies. • Review on a regular basis the mechanisms that management has in place for employee recruitment and to monitor the retention of employees with a process for monitoring risk. • Based on the CEO evaluation results, the Human Resource Compensation Committee reviews and makes recommendations to the Board regarding the CEO's compensation.	

	SIGA's Governance Practices	Does SIGA Align?
NP 58-201, section 3.17		
3.17 The compensation committee should be responsible for: reviewing and approving corporate goals and objectives relevant to CEO compensation, evaluating the CEO's performance in light of those corporate goals and objectives, and determining the CEO's compensation level based on the evaluation; making recommendations to the Board respecting non-CEO officer and Director compensation, incentive-compensation plans and equity-based plans; and reviewing executive compensation prior to public disclosure.	The Board evaluates the performance of the President and CEO annually. The Governance Committee oversees the evaluation of the President and CEO. They are responsible for ensuring that the evaluation results are reported in writing to the Board. The President and CEO shall be held to account for achieving the performance targets, as stated in the corporate strategic plan, and for complying with management limitations policies prescribed by the Board. The results of the CEO's performance are approved by the full Board. This policy is monitored by the Chair of the Board.	
BOARD ASSESSMENTS		
NP 58-201, section 3.18		
3.18 and each individual Director should be regularly assessed regarding his, her or its effectiveness and contribution. An assessment should consider (a) in the case of the Board or a Board committee, its mandate or charter, and (b) in the case of an individual Director, the applicable position description(s), as well as the competencies and skills each individual Director is expected to bring to the Board.	In 2009-10 the Board through the Governance Committee conducted an evaluation of the Directors, Board Chair and its Committees and reported the results in writing to the Board. The evaluation happens on a two- year cycle. The evaluations were conducted by an external consultant, Dr. David Sheridan of Shercon & Associates. The Board and its Committees review their Terms of Reference annually.	
NI 58-11F1, sections 7(a) and (b)		
7 (a) Describe the process by which the Board determines compensation for the Directors and officers of the corporation. (b) Disclose whether the Board has a compensation committee composed entirely of independent Directors and, if not, describe the steps the Board takes to ensure an objective process for determining such compensation.	7 (a) The corporation has developed a number of policies to assist in determining rates for Director compensation. Directors will be compensated for serving on SIGA's Board through a combination of retainer fees and per diems. Directors will be reimbursed for travel and business expenses in accordance with Corporate Policy No. B03-017 Travel and Business Expenses (Board Members). The monitoring of compensation for Directors is the responsibility of the Governance Committee, who review this on a bi-annual basis. The Board determines compensation by retaining the services of an external consultant to complete a market survey utilizing industry standards. The internal auditor Price Waterhouse Coopers is completing a review of the current compensation rates. (b) Board members receive the following retainer fees on an annual basis to be paid in quarterly instalments: Board Chairperson $8,000; Board Director $6,000; Board/Committee Chairperson meeting fee $700; Board/Committee Member meeting fee $600.	
NI 58-101F1, sections 7(c)		
(c) If the Board has a compensation committee, describe the responsibilities, powers and operation of the committee.	The Human Resources and Compensation Committee serves as SIGA's compensation committee. This is a standing committee and serves as an advisory committee appointed by the Board. The Human Resources Committee's core responsibilities are identified above.	

	SIGA's Governance Practices	Does SIGA Align?
NI 58-101F1, sections 7(d)		
(d) If a compensation consultant has been retained, at any time during the corporation's most recently completed fiscal year, to assist in determining compensation for any of the corporation's Directors and officers, disclose the identity of the consultant and briefly summarize their mandate. If retained to perform any other work, state that fact and briefly describe the nature of the work.	In 2009/10, the Board contracted the internal auditors, Price Waterhouse Coopers to complete a review of the Board's current remuneration utilizing industry standards in Saskatchewan and Western Canada.	
OTHER BOARD COMMITTEES		
NI 58-101F1, section 8		
8 If the Board has standing committees of the Board, other than audit, compensation and nominating committees, identify the committees and describe their function.	The SIGA Board has appointed the following standing committees to conduct the business of the corporation: Ethics Advisory, Governance, and Human Resources and Compensation. All committees have comprehensive mandates that meet the policy requirements. The Governance and HR & Compensation Committee core representatives are identified in previous sections. Ethics Advisory Committee The Board has approved a mandate for the Ethics Advisory Committee with core responsibilities for: • Monitoring best practices in corporate ethics and annually reviewing the Authority's ethics policies, processes and practices to ensure that the Authority continues to exemplify high standards of corporate ethics. • Annually receive and consider Directors and senior managers Conflict of Interest Declaration forms. When necessary, make recommendations to the Board regarding actual, potential and perceived conflicts of interest. None were noted in 2009/10. • When necessary, engage the internal auditor to undertake investigations into allegations of wrongdoing. Make appropriate recommendations to the Board and/or President and CEO.	

"When I started with SIGA, I was on assistance. I understand how it is to endure through struggles and hardships, wondering where my next gallon of milk was coming from or whether I was going to get my phone disconnected. Almost 12 years later, I am still with SIGA and enjoying it! SIGA has changed my outlook on life. Now, I just want to be able to give back to my community. I sit on the SIGA Volunteer committee, and what motivates me, is if I can bring a smile to just one person, if I can teach just one person that they possess the ability to get out there and change their personal story, I know I am making a difference. I take pride in and am proud to say "I am a SIGA Employee."

– Alishia Stevens

Guest Services Supervisor and SIGA Volunteer Committee member at Northern Lights Casino

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